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FEBRUARY
1953

VOL. XVIII NO. 2

THIS ISSUE . . . .

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- Labor
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FEBRUARY 1953
VOLUME XVIII NO. 2

combined with MODERN MANAGEMENT

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Our Universal Challenge

By EDWARD W. JOCHIM
President, SAM, 1952-1953

Edward W. Jochim

THERE ARE varied theories—economic, ethical, sociological, philosophical and religious—on the nature of business. In order to avoid hopeless confusion, it is necessary to get down to basic concepts. Actually, there are no conflicts in basic concepts underlying any of the sound theories of business.

Whether business exists for service or profit is just as academic as the discussion of "which comes first, the chicken or the egg." Obviously, we cannot have eggs without chickens or chickens without eggs. Business cannot long exist without profits. Profits, however, are the result of services—furnishing a quality of service or product that people want, when they want it, where they want it and at a price they are willing and able to pay. Any business that does not consistently meet both profit and service objectives fails in its obligations. Obligations of business are the concern of business management, both line and staff, at all levels.

Colonel Lyndall Urwick, in his historic Calvin Rice lecture, quoted the 1869 statement of John B. Jervis, as follows:

> "No skill in forming lines and levels and in devising structures will complete the education of an engineer without an intelligent capacity for conducting business. This is an important item in his education and indispensable to a successful practice. Some people suppose an engineer, as a matter of course, knows nothing about business management. An absurd mistake. No profession more needs a thorough business qualification. I think I am fully warranted in the opinion that the training and practice of an engineer should make him peculiarly eminent as a business man, not less than skilled in erecting and designing works in his profession."

Certainly this same thinking is true of every member at every level of both the line and staff organization. To be a successful member of management one must first be a businessman. A successful businessman must earn a profit.

Under the current extreme pressure for specialization, there is, unfortunately, feeling by some management people that the responsibility for end profit rests in other members of the management team. Never was this further from the truth, despite the valid pressures for specialization. Each member of management bears a profit responsibility.

High labor and material costs, the end of the sellers' market, and high taxes make it more difficult, and, therefore, a greater challenge to all members of management for contributing to a consistent profit. Without a satisfactory profit, of what value are these intense specializations and our valuable, complicated and sometimes conflicting theories about executive and administrative functions?

We could not possible hope for a higher caliber Federal administration than we have just elected. A sound environment now exists for management to strive toward its interrelated profit and service objectives. If each and every member of management does his part, we cannot possibly fail.

This being the case, it is self-evident that every manager must be soundly grounded in basic economics. In recognition of this, our already overburdened National Office is developing a Round Table Economic Discussion Program to be made available to all Chapters. It is obviously a prime obligation of each manager to thoroughly ground himself in basic economics, whether through his program or through other means. This program is being designed as a matter of service and convenience in recognition of all the important demands on each individual's time. However, even this excellent program cannot be considered a complete answer. Economics requires continuous studies to maintain the concepts crystal clear.

All of this study is, of course, pointless unless the basic economic concepts are applied by each management businessman in all of his daily work and action. ★

Executive Personnel Development*

By JAMES C. WORTHY

The importance of management succession is emphasized and the fundamentals necessary to an executive development program outlined.

THE SUBJECT of executive personnel development is of great significance in America today—significant not only for individual business enterprises but for the public welfare in the broadest sense of the term. Private enterprise occupies a unique place in America. To an extent which is true in no other country in the world today, the social and economic welfare of the American people depends upon the wisdom and skill of those who direct the affairs of our private business organizations.

Whether we meet the tremendous tests of rebuilding our economic and military defenses, whether in the years ahead we again have widespread industrial unemployment and deep agricultural distress, whether we repeat the bitter years of the Great Depression, depends not only on the quality of our *political* leadership; it depends to perhaps an even greater degree on the quality of our *business* leadership.

Thus, the manner in which we prepare the next generation of business leaders for their responsibilities is of prime concern not only for the business community but for the American people at large.

In addition, the manner in which business management raises its successors has an important bearing on the fulfillment of the basic promise on which our society rests: the promise that every individual is to have equal opportunities. With the majority of our people today working in and for business, the "opportunities" for the individual are largely to be found in business. Management has a responsibility to the business to find, to train, and to develop the best possible leadership for tomorrow; it has a responsibility to our society to provide business enterprise with first-rate leadership; it has a responsibility to the American people to find, to develop, and to give maximum opportunities to the greatest number of people in its employ.

HIGHLIGHTS ON THE AUTHOR

James C. Worthy is a member of the National Personnel Department of Sears, Roebuck and Co., in charge of employee relations. He is a member of the Chicago Industrial Relations Association and served as President during 1950-51. He is also a Director of the Industrial Relations Research Association. The material from this paper is being incorporated in a book to be published this year by Harper & Brothers.

We at Sears have been concerned with executive development for well over 25 years. Ever since we opened our first retail store we have had to provide executives for a rapidly growing organization. In the beginning, we did not have people in our own organization with retail store experience. We had to hire them from the outside. Obviously, no business can continue for long if it depends for its executives primarily on outside sources. It has to find, to train, and to develop its own. For this reason Sears has been actively engaged in a large-scale executive development program for a quarter century.

During this entire period, Sears has continued to grow rapidly—right through depression and war. We have, therefore, never known a period where we could relax in our attempt to provide executive material for our Company. On the contrary, the pressure has been steady—and if anything, it has been increasing. Nevertheless, we have been able to convert the situation from one in which practically all new executives had to come from the outside into one in which, today, we are able to satisfy practically all our needs from within the organization.

To do this we had to learn a great many things. We had to set up a separate organization: and it may be of interest to you that the Sears Personnel Department started out as a department charged with the recruitment, the training, and the development of executive personnel and not, as with most other personnel departments, as a department concerned with the personnel problems of rank and file employees.

If I were to try to sum up what we have been learning, I would say that there are four major foundations for a successful executive development program. These foundations apply whether you are dealing with a small business headed by one or two people or, as we are, with a very large business employing 180,000 men and women, and with a management group alone of approximately 10,000 people.

FOUR MAJOR FOUNDATIONS

The first thing we have learned is that executive development requires system and organization. Obviously, this system will be quite different in a small business where the top man knows everybody than it will be in a very large corporation dealing with thousands of people. In a large business

*The author wishes to acknowledge the assistance of Peter F. Drucker in the preparation of this paper, which was delivered before the Richmond, Va. Chapter on September 23, 1952.

you will use formal procedures and systems. You may use, as we have learned to do very profitably, psychological methods of selection and testing. You will systematize the evaluation and appraisal of people. You may, as we have done, bring together your promising executive candidates in a special "reserve" group. In a small business you would not do any of these things. However, you still will need some system. Without rational procedures, executive selection and development will remain a hit and miss process if it does not simply become organized nepotism. I stress the word "rational." It is equally important that the people in your organization understand what you are doing and why.

At the same time an executive development program requires the proper organization of the business. No formal training, no psychological testing, no appraisal and evaluation can possibly take the place of the right organization that produces the kind of people you need. Above all, we have learned that we cannot obtain people trained as business leaders except in a thoroughly decentralized organization in which men have full business responsibility—almost as if they ran a business of their own—at a very low level and at a very early age. You need in every organization rounded businessmen who see the whole of a business. You can never get this kind of a man out of a "specialist" who has spent his most important years learning more and more about less and less. The right kind of organization therefore is an absolute essential to a functioning executive development program. I would like to add that at Sears we have made many changes in our organization for the primary purpose of strengthening our executive development program.

The second major thing we have learned is that in an executive development program you need two kinds of measurements. One kind of measurement focuses on the man. For this purpose, we use a variety of methods, including psychological tests, but our chief reliance is placed on the evaluation and appraisal of executives and trainees by experienced people in the personnel department who sit down periodically with the people who work with the man. The other kind of measurement involves objective performance standards. You have to see how the man performs under actual combat conditions. Only if you have these two kinds of measures—one focused on the man's character and ability, the other focused on his performance—will you really know what you are doing. Otherwise you will always have to play "hunches." Even so, measurements are not in themselves the answer. There will always remain an area of judgment.

If you have followed the literature in this field, or if you have listened to other talks on this subject, you are probably familiar with the methods and procedures used to appraise a man. You may not have heard too much about performance standards for the simple reason that, to my knowledge, they are not very widely used.

We at Sears use three standards to judge a man's performances—and let me remind you again that our people usually move into positions of real responsibility at a very early stage in the game, and are, therefore, in a position where their performance can be judged in reasonably objective terms.

First, of course, we look at their business performance, at the sales and profit results of their unit. This measures their business ability as merchants. In the last analysis, there is no test like a P & L statement. One of the great advantages of a highly decentralized system of management lies in the fact that the P & L principle can be carried very far down into the organization.

Our second standard for judging men's performance is the way they treat the people who work with them. We have regular morale surveys which tell us pretty reliably how good a job is being done in this respect. The way a man handles the people who work under him is a very good indication of his ability to become an executive; for, an executive is a man who gets things done through people. A man who does not know how to handle people and how to get along with them is not likely to get much done or to go very far in our organization.

Finally we look at the man's performance as a builder of future executives. How many people have come out of his organization into the management group? For a man's ability to discover, develop, and train executives is one of the most important measures of his contribution to the future prosperity of our Company.

The third important thing we have learned is that it takes principles to do a good executive development job—principles and the courage to stick to them even when the going is rough. Without such principles, executive selection and development may only too easily degenerate into selecting the man who pleases the boss. Without them you may find yourself selecting the boys who come from the "right kind of background" to the exclusion of capable people whose only shortcoming, perhaps, is the fact that they did not have the opportunity to go to college. Without such principles, too many top managements may go out for "yes" men, for people who think in certain ways and who behave in certain ways. What you need in any management group are people who are capable of thinking "different" and of changing when the conditions demand change. You also need principles because otherwise you would put all your emphasis on business skills as measured in dollars and cents. Dollars and cents measure at best today's performance — in far too many cases they measure only yesterday's performance. For the survival of a business in the modern world, you need broader skills than this.

We at Sears have been fortunate in that we have been under a leadership that has put great emphasis on principles, a leadership that believes deeply that nothing is profitable for Sears unless it is right. We mean not merely technically right, nor right in the narrow sense of profitability. We mean right in terms of principles and, if you will, of morality.

Even so I'll be frank to admit that it has not always been easy to live up to our principles. The temptation to do the expedient, the easiest, the monetarily or "politically" advantageous is great in all situations where people live and work together. Business is no exception. There is no area in which yielding to this temptation can do quite as much harm as the executive development area. However, we do have principles and standards of right business conduct that we try to live up to.

Finally, we have learned that top management must support the executive development program. You may say that this is a condition of everything that deals with policy matters. But there is no area where top-management support is as vital as it is in the executive area. Executive development is very

close to the skin of the entire management group. If the top people only once make an "exception" for the sake of old friendship or because of pressure brought to bear on them, the grapevine will carry the story to the remotest corner of the organization. There is no area in which a discrepancy between what top-management *says* and what top-management *does* is more dangerous, more demoralizing to the entire organization—precisely because in this area you deal with the promotional opportunities, the careers, and the future of your management people themselves. If there is one area in which it is important never to do anything top-management does not fully understand and fully support, it is this one. This means patience—as in everything that has to do with human beings and their habits. It means taking things step by step—yet always with one's eye on the long-range goal. It means that the execution of the program has to be in the hands of someone with real standing in the organization. This is not something you can hand over to the training director—it requires someone whom your top people respect and accept as one of themselves.

These, then are the four things we have learned as basic to a successful program of executive development:

(1) that there must be system and organization;
(2) that there must be two kinds of measurements, one focused on the man, the other on performance;
(3) that the program must be based on certain principles of morality and fair dealing; and
(4) that the program must have the whole-hearted understanding and support of top-management.

We would conclude, from our experience of a quarter century, that without these four foundation stones, no program of executive development is likely to be very successful or very enduring.

THE SEARS PROGRAM

I should like to move now to a description of the program we have developed at Sears, Roebuck. As I said before, the Sears executive development program goes back to our decision to enter the retail field in 1925. This created an immediate problem of finding people to run the new stores which we began to open. Up to that time, Sears had been exclusively a mail order business. Despite certain notable exceptions, it soon became clear that mail order experience was not sufficient preparation for retail management. Consequently, we had to fall back on recruitments from outside the company. This was none too successful, and very soon it became apparent that if we were to have the kind of executives we needed ready when we needed them, we would have to find and train them ourselves.

This background explains why the officers and directors of our company have been willing to give major attention to executive development and to make a substantial investment in it. Another reason for the success of our program has been our decentralized operation. This makes it clear to everyone in the organization that the success of Sears depends on the quality of executive leadership in each local unit. As the company grew and expanded, it became obvious that these executive manpower requirements were so great—and the quality needed was so high—that only a planned program, supported and aided by top-management would solve our problem.

Our plan, as it has developed over the years, breaks down into five basic elements, as follows:

I. Analysis of *organization needs.*
II. *Selection* of persons who appear to have potentialities for advancement.
III. Preparation of *training plans* to aid in realization of such potentialities.
IV. Periodic *appraisal* to evaluate individual progress.
V. An executive inventory control to help maintain the necessary balance between numbers and kinds of persons coming up the line.

I would like to review each of these steps briefly. Before doing so, however, I want to emphasize that this is an administrative plan which has been worked out over a period of many years to meet the specific needs of our particular organization. It is not a plan which can be transplanted elsewhere with any hope of success. While simple in terms of the demands made upon it, it is far more complex than most organizations would find necessary or desirable.

ORGANIZATION NEEDS

So fas as our administrative plan is concerned, our first step is to analyse, to the best of our ability, the future needs of the organization for trained executive manpower. In doing so, we must consider such factors as the number of normal retirements, estimated turnover, plans for expansion, etc. We generally try to forecast our estimates for a three to five-year period, depending on job level. We anticipate that during the next five years, we will have to fill approximately 4,400 vacancies in the executive ranks. This is, of course, an estimate, and subject to fairly broad margins of error, but it at least provides us with the basis for developing a workable plan. Without some such estimate, responsible, intelligent planning would be impossible.

SELECTION OF TALENT

To meet this total requirement of 4,400, we have approximately 3,700 people in training, leaving a net deficit of about 700. Where will we find the people needed to fill this gap? Every effort is made to locate this necessary talent from among those already in the organization. From our sales force, receiving rooms, and other rank and file activities will come the majority of our future store managers and other company executives. One of the reasons we place such great emphasis on good personnel selection at the general employment level is that we know that the quality of the company's executive personnel a few years hence will depend in large part on the skill and proficiency with which we fill comparatively minor positions today.

Despite these efforts to promote from within, it is not always possible to meet the company's needs for potential executive material wholly from among those hired in the normal course of employment. Therefore, it is usually necessary each year to supplement this source by recruiting limited numbers of promising graduates from the colleges and universities. In most cases, college graduates are not differentiated from other employees in any manner after they start to work. Their only advantage is the assurance that their work will be observed and that, if their job performance so warrants, they will be placed

on our Reserve Group and given an opportunity to acquire the training and experience they will need as future executives.

TRAINING PLANS

This brings us to the third step in our program, the training plan.

In developing talent, we try in a variety of ways to give the individual every opportunity to learn. We use job rotation, training materials of various kinds, meetings, staff schools, special assignments and other techniques.

Despite the multiplicity of our training techniques, in no case is the individual "spoon-fed." He is encouraged to use his initiative and ability to develop himself. He is not handed a canned program which more or less automatically graduates him to the next highest level. Furthermore, the training is not designed to fit a man to a specific job, but to develop his potentialities to the utmost.

Above all, the key to such sucess as we have had in developing talent at Sears has been the company's system of decentralization and the way the organization is set up. Sears is a flat organization with very few levels of supervision. It has only a limited number of specialist positions. A man coming into the organization usually works at a variety of jobs and has an opportunity to begin to assume real responsibility early in his career. He has a chance to develop versatility in handling a number of different job situations. He learns to use his own judgment and initiative because he is given real responsibility. This is the principal season why Sears has been able to meet the very great demands of a rapidly expanding organization. While training devices and materials have been useful, the real development of individuals has been largely a spontaneous process because of these characteristics of the Sears organization.

APPRAISAL OF TALENT

The fourth element of our executive training program is the periodic appraisal of talent. Because of the numbers of people involved, it is necessary that we have orderly and systematic means for evaluating individual progress. For this purpose, we use personal interviews, performance records, periodic reports from superiors, psychological tests, etc. Probably the most important of these are personal contacts and interviews. We have men in the field at all times contacting Reserve Group personnel, observing their progress, reviewing their potentialities and getting to know them as individuals.

In addition to these, our psychological tests (which we use primarily in selecting men for promotion rather than in initial employment) have proved extremely helpful in providing additional information regarding men's aptitudes, personalities, interests and basic personal motivations. We have administered our executive test battery to over 10,000 individuals and our testing people have developed a high order of skill in using the tests as an additional means for evaluating individual capacities and potentialities.

INVENTORY CONTROL

The fifth and final element of the Sears executive development program is a procedure that we call "executive inventory control." This procedure is a means by which we try to maintain an adequate balance between the number of people coming up the line and the number of vacancies to be filled.

For example, of the approximately 4,400 executives we estimate we will need during the coming five years, about 2,800 will be needed in retail, about 800 in mail order, about 300 in parent and territorial offices and about 100 subsidiary corporations. These add up to 4,000; the remaining 400 represent a cushion against unforeseen contingencies.

To meet these needs, we have about 250 men on our Senior Reserve Group in training for top level positions, about 3,000 in our Retail Reserve Group, about 200 in our Mail Order Reserve Group, about 200 in our Parent Reserve Group and about 500 in the Reserve Groups of subsidiaries. As previously noted, we have a net deficit of 700 which we will make up by promotion from within and by college recruitment.

The figures cited, of course, are gross, over-all figures. To be meaningful, they must be broken down according to principal job categories within each branch of the business, and according to degree of readiness for advancement to higher levels of responsibility. Our system provides complete and up-to-date information on matters such as these. Some such system of record-keeping and "inventory control" is a necessary adjunct of any executive training program that involves more than a comparatively few people.

BASIC FACTORS

So much for the mechanics of the Sears program. Let's review, now, some of the basic factors which have made it possible for these mechanics to eventuate into a successful plan of executive development. For this purpose, I want to quote from an address given recently by Mr. C. B. Caldwell, Sears Director of Personnel. The factors listed by Mr. Caldwell illustrate the points I have made previously regarding the importance of organization structure and character of leadership.

"First: Executives and potential executives at Sears are given an opportunity to grow and develop on their own. They are not spoon-fed, although they are encouraged to develop their own resources and abilities to the utmost.

"Second: The opportunity for growth is provided by Sears basic policy of decentralization. Decision making and authority are placed at the lowest possible level in the organization. The employee has an opportunity very soon after the start of his career to "try his wings," learn how to make decisions, learn to rely on his own judgment, develop his own resources. I think that Sears executives, as a group, have shown unusual ability to adapt to new job demands and to new economic and organizational situations. This ability, I think, is one evidence of the effectiveness of this kind of early training.

"Third: There is a fundamental belief at Sears that a man with the right kind of character, personality, and ability can adapt to a fairly wide variety of jobs. The notion of flexible, interchangeable executives is basic to the Sears program. Our fundamental objective is to develop well-rounded, mature individuals capable of functioning in a number of situations, not merely as "back-ups" for specified jobs.

"Fourth: Mistakes are tolerated provided the individual learns from his mistakes. This implies a basic confidence in people. By the same token, differences both in personalities and ideas are accepted provided the individual uses his abilities productively and effectively.

"Fifth: The significance and importance of confidence in people cannot

(*Continued on page 26*)

Problems Existing In The International Labor Organization

By WILLIAM L. McGRATH

An appraisal of the recent activities of the International Labor Organization conferences together with a recommended program of action.

HIGHLIGHTS ON THE AUTHOR

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THIS LAST June, I was for the fourth time a member of the U.S. Employer Delegation to the International Labor Conference, held in Geneva, Switzerland. Again this year, as in the three previous years, I watched the two U.S. Government delegates, in all but a few cases, vote for socialistic proposals which are contrary to the principles and philosophy of the United States, and which would require for their implementation a planned economy and a regimented state.

In committee discussions U.S. Government "advisers," under the watchful eyes of U.S. employers concerned with both basic freedoms of the individual and with economic practicalities, may venture tentative objections to Socialist ideas. But the acid test lies in the final voting. "Advisers" do not have a vote.

Voting is done or directed by the two official delegates of the U.S. Government. There appears to be no question as to their allegiance; they are lined up with the international socialists. Any concessions they may make on behalf of the system of free competitive enterprise, and they are few indeed, are apparently wrung from them by fear of repercussions which might otherwise arise back home from employer criticism of their conduct.

Why do the two delegates officially representing the U.S. Government at the ILO vote the way they do? That is the 64-dollar question.

They say they have to vote the way they do in the ILO in order to help prevent the spread of Communism. They say they are following policy instructions laid down in Washington. Did the Democratic Administration think that the only way we can stop Communism is to turn to Socialism?

This does not make sense. In fact the behavior of the United States Government delegates in the ILO is inexplicable except upon two possible grounds, namely:

1. The U.S. Government delegates to the ILO may be following the dictates of the large American labor organizations, who consistently support socialistic international laws drafted by the ILO. This would be in line with organized labor's dictation of much of the Democratic administration's policy.
2. An alternate possibility is that the recent incumbent Administration itself is in favor of state socialism, has every intention of supplanting the free competitive system by the planned economy and the regimented state, and is using the ILO for purposes of propaganda and pressure in this direction.

I do not pretend to know the actual facts. I can only draw inferences from my own personal observations. It may even be that behind the scenes lies the concept of a socialist United States in which organized labor *is* the Government. On any other basis it is hard to understand why our labor delegate to the ILO votes consistently in favor of proposals which would take certain rights away from unions and give them to Government.

This last June, the ILO passed two definitely socialistic Conventions—one on "Minimum Standards of Social Security" and one on "Maternity Protection." The two U.S. Government delegates voted for both of these proposals. So did the labor delegate. The employer delegate voted "no." Before describing these Conventions, however, let me first summarize briefly what the ILO is, how it operates and its present political complexion, in order to make clear the broad significance of the passage of a socialistic convention by the ILO.

WHAT IS ILO?

The name of the International Labor Organization is likely to mislead. It is in fact not a labor organization at all. It is an association of nations, having an official standing with governments the world over, including our own.

The ILO, as it is called, was born in 1919 as a part of the peace that followed World War I, and became a part of the League of Nations. It grew out of a demand by organized labor that the workers of the world be compensated for their war-time sacrifices, and assured of improved working and living conditions.

The first ILO Conference was held in Washington in 1919. Franklin Roosevelt, then Assistant Secretary of Navy, attended this Conference. In his first administration, Secretary of Labor Frances Perkins took the initiative in urging

United States membership. In 1934, following the passage of a joint resolution by the Congress, the United States became an ILO member.

ILO has its own headquarters building in Geneva, Switzerland, headed by a Director General. The ILO has a Governing Body which constitutes, you might say, the Board of Directors. There is a permanent staff of over 600 people, most of whom are sympathetic to socialistic ideas. They develop the documentary material regarding the agenda items presented to the delegates at the Conference. The United States contributes approximately 26% of its operating expenses. Since 1946 ILO has been a part of the United Nations Organization.

At the annual Conference each participating nation has four voting delegates; two representing government, one representing labor and one representing employers.

The delegates bring with them advisers who represent the delegates in Committee discussions of the subjects on the agenda. Including these advisers, the delegation at last June's meeting totaled over 650 delegates and advisers, with over 60 nations represented.

With respect to most of the subjects on the agenda, the usual procedure is to lay before the Conference a proposed "resolution," "recommendation," or "convention," in much the same way as a bill is laid before members of our House of Representatives. These are then debated, amended and if they secure the required majority, "passed."

Resolutions and recommendations embody principles which the ILO says *should* be made a part of the law or practice of each member country. But conventions go even further. A convention is a draft of a proposed international law. When a convention is passed, each member country is supposed to submit it to its own treaty-ratifying authority. If ratified, the convention then becomes a part of the law of the land and stands as an international treaty among the countries which ratify it.

By simply calling everything "international" the ILO arrogates unto itself the supposed right to prescribe domestic legislation on any subject it selects, for nations the world over.

In this connection, Judge Florence Allen, of the United States Court of Appeals for the Sixth Circuit, says in her recent book entitled, "The Treaty as an Instrument of Legislation": "Does the fact that the ILO, in its Philadelphia Declaration stated broad human objectives, make it the legislative agent of the nations of the world in problems other than those affecting labor? That the ILO thinks so was clearly evidenced in the 1949 Report of the Director, who said in his report: 'Today the role of the organization as to an international parliament has become generally accepted.' "

HOW ILO AFFECTS US

In the early days of ILO, the United States was not bound by convention procedure. It joined the ILO on the basis that any finding of that body would serve merely as a recommendation in the United States. In 1948, by joint resolution of the House and the Senate, the United States approved a revised ILO constitution which put us on the same basis as other Federal countries with respect to ILO conventions.

Today an ILO convention appropriate for Federal action can be ratified by the United States Senate by a two-thirds vote in favor of it. This does not mean a two-thirds vote of the members of the entire Senate; it means merely a two-thirds vote *of the members of the Senate present on the day the vote is taken.*

Furthermore, if ratified, an ILO convention becomes law, taking precedence over existing domestic laws, *without submission to the House of Representatives*, and conceivably *without the general voting public having any knowledge of it whatever.*

This is because of a peculiar paragraph in the Constitution of the United States, written back in the days when nobody could have dreamed that socialistic laws involving domestic matters could ever become the subject of international treaties. Nevertheless, it still stands. Paragraph 2, Article VI, of the Constitution of the United States reads:

> "This Constitution, and the laws of the United States which shall be made in pursuance thereof; and all treaties made, or which shall be made, under the authority of the United States, shall be the supreme law of the land; and the judges in every State shall be bound thereby, anything in the Constitution or laws of any State to the contrary notwithstanding."

Can you see how under this provision a socialistic law disguised as an international treaty might slip into our statutes and change the entire form of our government?

Again let me quote Judge Allen, who says in her recent book: "It is the rule in all but a very few other countries and in important countries generally, that treaties take effect as municipal or domestic law only when implemented by legislation enacted by the full legislature. Since the United States Constitution makes the treaty the supreme law of the land, this safeguard does not exist for the United States."

This is a very real danger; and I shall discuss later the means whereby this loophole in our Constitution can and must be corrected.

POLITICAL COMPLEXION

In its earlier years the ILO devoted its efforts to matters dealing directly with labor, and did excellent constructive work. Its objective was that of endeavoring to raise living standards of employees all over the world; helping to get the workers better working conditions, fuller recognition of their rights, etc.

However, as state socialism came into the ascendancy in Europe and the concept of the planned economy and the welfare state gained broad political acceptance, the ILO stepped beyond the field of labor proper into the field of government itself; and under the pretext of "helping the working man," has put forward a whole series of proposals, which, if adopted and implemented in member countries, would of necessity force their governments into a socialistic mold.

The ILO is today completely in the hands of a socialistic government—labor coalition, which apparently has as its objective the enactment of socialistic legislation, standardized along ILO lines, in the largest possible number of countries in the world. Their interest is to get these laws on the statute books. Whether or not they are actually made effective today is apparently secondary. Once a law is passed, the pattern is set. The rest can come later.

The Russian situation has lent impetus to this drive; the general feeling among the labor and government delegates of the more than 60 nations represented at the Conference apparently is

that the whole world is engaged in a competitive struggle between State Socialism and Communism. The Socialists are now busy out-promising the Communists. Government will give people *everything*, they say, if people will just turn everything over to government.

The employer delegates and their advisers, most of whom are people of practical economic experience, are naturally opposed to such proposals; not only in principle, but because they know that the economic base necessary to support them simply does not exist in most countries of the world. In short, they won't work. That doesn't bother a labor leader or government man. There is always an election coming up. On practically every proposal, therefore, government and labor join hands in voting "yes," the employers vote "no"; and the employers, besides having been the losers on almost every issue, are accused of being anti-labor, anti-social and reactionary.

With this background, let me now summarize briefly the nature of the two socialistic Conventions, passed by the ILO at this last session, over the objections of the employers, especially those from the United States.

SOCIAL SECURITY

The first was entitled "Minimum Standards of Social Security," and was a draft of an international law providing Government "benefits" for practically "all the ills the flesh is heir to." It is a blueprint for the biggest "give-away" program yet devised.

Under this proposal, Government would pay people money for the following:

Any condition requiring medical care of preventive or curative nature, including pregnancy, and any "morbid condition", whatever its cause. This would include hospitalization, medicines, etc.

Loss of earnings due to sickness of any sort.

Unemployment.

Survival beyond a prescribed age.

Employment injuries, including medical care, hopsitalization and medicines.

Babies—government pays you for having them. The more you have, the more money you get.

Childbirth—including medical care, hospitalization if necessary, and an allowance for suspension of earnings.

Invalidity—which is defined as "Inability to engage in any gainful activity."

Death benefits—that is, life insurance.

Realizing apparently, that full compliance with all the provisions of this convention would break the financial back of any country which attempted it, it was voted than any member country could "ratify" the convention by adopting only any three or more of the above category of benefits. By this political device a country could get credit among its voters for having "adopted social security convention" without the obligation of fulfilling more than a fraction of its terms. The proposal as a whole, however, stands officially as a summary of what the ILO-Socialist-Labor majority promise as "give-away minimums" in the planned Utopia of tomorrow.

When this same convention was being considered at last year's Conference, carefully tucked away in the voluminous text consisting of 73 other Articles, was Article 6, from Part One:

> "Where the insurance against the contingency concerned is voluntary, the public authorities shall subsidize such insurance to the extent of at least one-quarter of the expected costs of benefits and administration."

This paragraph, if put into effect, would change the world's insurance system. In short, insurance should be compulsory and subsidized by the Government; no insurance would be allowed unless Government paid at least one-fourth of the cost of the premiums.

An important delegate on the Social Security Committee said "that the proposed convention did not provide for the immediate destruction of the voluntary system of insurance, but would prevent its further extension." He was referring to the system which we have in the United States.

As the result of the violent opposition to this proposal last year by the employer members on the Committee, this particular Article was omitted from the revised draft of the convention submitted, considered and finally voted into effect at this year's Conference.

The medical provisions of this convention, scattered throughout the document with respect to its various "branches," constitute *in toto* a complete program of what we term in this country "socialized medicine."

In this connection, Leonard Calhoun, Washington attorney and social security expert, the advisory member of the U.S employer delegation who sat on this committee, endeavored to have incorporated in the document a statement of the principle of *voluntary association* between physician and patient in accordance with the "Bill of Rights" of the World Medical Association. He was voted down. Come Utopia, you'll get the doctor and the hospital the Government allots to you—and like it!

Both voting delegates officially representing the U.S. Government, voted in favor of this Convention. So did the U.S. labor delegate. The U.S. employer delegate voted "no" and registered emphatic protest.

MATERNITY PROTECTION

Not content, however, with all the "benefits" relating to childbirth contained in the social security convention, the Conference passed in addition an entirely separate Convention providing for "Maternity Protection." This was a revision of an earlier Convention on the same subject. The 1952 Convention provides that:

> An employed woman should be given at least 12 weeks off to have her baby, with free medical care and hospitalization if need be.
> During this period she should receive from the government, in cash, an amount equal to two-thirds of her pay.
> A woman cannot be discharged while on maternity leave.
> Interruptions from work for nursing the baby "in cases where the matter is governed by or in accordance with laws and regulations" are to be counted as working hours, and paid for by the company.

Accompanying this Convention is a recommendation which defines what the socialists think government really ought to do for pregnant women, come Utopia. It seems that this Convention is only a start.

The recommendation provides for *14* weeks of maternity leave at *full* pay, extending the leave "if it seems necessary"; and nursing breaks totaling at

least two half-hour periods per day (on company time).

The recommendation provides for every conceivable medical benefit, dental care; midwives; nursing; drugs and care furnished by such other professions as may be recognized to furnish services associated with maternity care. It further provides for other benefits in kind or in cash, such as layettes; milk or nursing allowance and "other benefits might be usefully added to the benefits mentioned."

Except for "serious fault on the part of the employed woman, shutting down of the undertaking, or expiry of the contract of employment," an employer would not be permitted to discharge a woman from the date when she is certified as pregnant until one month after the end of her maternity leave. With 14 weeks' maternity leave, two of which are supposedly taken before confinement and 12 after, plus the extra month, she would have 16 weeks' leave after the baby was born. Could not such a program lead to abuses and thereby provide a brand new recipe for job security?

THE VOTING

Both our U.S. government delegates voted in favor of the Maternity Convention and the Maternity Recommendation. So did the U.S. labor delegate. The U.S. employer delegate voted against both the convention and the subsequent recommendation, after having previously registered emphatic protest during the discussion.

I sat in the Committee on Maternity Protection, and through the many days of the discussion I got a clear-cut idea as to the relative positions of maternity and paternity in the Socialist Utopia.

Apparently, in those golden days, practically all women are supposed to work. Their babies are financed by government benefits; and in due course they bring them to work with them, placing them in government-run nurseries and leaving their machines or typewriters, to nurse them on company time. There is no distinction between legitimacy and illegitimacy (delicately defined as "without benefit of marriage"). An unmarried girl need not worry about having a baby. Government will provide.

The place of the father in the scheme of things, married or unmarried, is reduced purely to the function of paternity.

WORLD OF TOMORROW

If you add to the provisions of the Maternity Convention the multitudinous "benefits" prescribed in the social security convention, you see a world in which the responsibilities formerly considered an obligation of the head of the family are to be assumed instead by the State. In short, the State takes over, to a large extent, the functions of the family. It provides against a multitude of contingencies for which, in a free society, the husband and the father, as head of the family, is supposed to provide.

Under such circumstances, what becomes of the family? What becomes of the home? What is the object of the institution of marriage? What happens to the children, starting life in Government or industrial nurseries? What are the people, save wards of the State?

Maternity benefits are presumably to be financed by an over-all tax on all payrolls irrespective of sex, to be paid partly by the employees and partly by the employer; or entirely by the employer or directly out of public funds. Social Security benefits are presumably to be financed by a system similar to that by which our present Social Security is financed in the United States.

Obviously, the total financial burden of these two Conventions would be such as to jeopardize a free economy. To the Socialists, this would appear a desirable objective. From various previous ILO proposals, it is evident that the majority Socialist-Labor coalition envisages a completely regimented economy, in which government controls production and prices, allocates people to their jobs, and takes over collective bargaining as a government function; with progressive nationalization of resources and facilities an end result of the program.

Why are the U.S. government and labor delegates, by their voting, lending international moral support to such objectives? *Why?*

At this point I think you would be asking yourself—Have any of these conventions been ratified by the Senate, and are there any conventions now pending consideration in the Senate? In answer let me say the ten Conventions have now been ratified as treaties by the United States Senate and have thus become the law of the land. Seven more are pending before the Senate Foreign Relations Committee for ratification, and three more which have not been submitted.

Nine of the ten Conventions which have been ratified by the Senate relate to maritime matters and thereby may be considered as proper subjects for international treaty.

The other treaty of the ratified group pertains to the integration of ILO into the United Nations.

The seven Conventions which are now pending before the Senate Foreign Relations Committee, however, as well as the three which have not been submitted, merit close attention. These conventions deal with the following subjects:

Convention 63—concerning statistics of wages and hours of work in the principal mining and manufacturing industries, including building and construction and in agriculture.

Convention 70—concerning social security for seafarers.

Convention 87—concerning freedom of association and protection of the right to organize.

Convention 80—concerning the organization of the employment service.

Convention 91—concerning vacation holidays with pay for seafarers.

Convention 92—concerning crew accommodation on board ship.

Convention 93—concerning wages, hours of work on board ship and manning.

The three Conventions which have not yet been submitted by the President deal with the following subjects:

Convention 97—concerning minimum standards to protect persons migrating from one country to another.

Convention 99—concerning minimum wage fixing in agriculture.

Convention 100—concerning equal remuneration.

CONCLUSION

It is my contention that the U.S. government and labor delegates to the ILO Conferences are misrepresenting the United States of America before the whole world.

The men Washington sends to vote for the United States in the ILO may

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The Effect Of Bigness On Labor Relations

By HENRY O. GOLIGHTLY

The author considers the complex effects of big business, big labor and big government on management policy-making in the human relations area.

THE MOST baffling obstacle management faces in improving labor relations is size. We have big business, big unions and big government. All three distort the human relations on which sound policy is built.

BIG BUSINESS

In our enthusiasm for the many efficiencies of the big corporation we have tended to overlook three grave difficulties. One is the awkwardness of communicating both up and down the lengthening and widening chain of command. A second is the difficulty of finding a yardstick for compensating hourly paid employees. In the small shop, the pay rates of hourly employees can be based on their contribution, just as the manager's own compensation is determined. This system seems so right and natural to managers that they sometimes forget that in the big industrial organization hourly employees cannot always increase productivity by putting out more effort. The fact may be that employees value their participation in a group more than they do the opportunity to shine. The third difficulty is the collective sense of insecurity which hourly employees—and others, too—experience because they depend on a big and impersonal corporate employer instead of on a tangible human being.

The problem of communication is, of course, basic. How can the management of a billion-dollar corporation really concern itself with the employees at the work place? How can it lessen the gap between those employees and the first supervisor with real decision-making responsibility for their future? How can the many echelons of management supervision be given opportunities to develop? How can line management be provided staff assistance that is real assistance and does not usurp its authority?

HIGHLIGHTS ON THE AUTHOR

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Enlightened managements ask themselves these questions, but most of them have to accept a growing impersonalization of policies affecting their employees. No matter how fair and generous these policies are, they are of necessity rigidly interpreted and progressively misunderstood as they are applied down the line. The distance is simply too great.

An example of this type of misunderstanding is the experience of a large company which combined its base rate and the cost of living bonus a few years ago into a new hourly rate to provide a basis for setting incentive rates.

All jobs were restudied, new rates were set up, and higher payroll expenditures foreseen. The objective was to clean up the incentive system, but when the plan was completed, it was so rigid that middle management could not apply it to take care of special situations. Since middle management had misgivings about the plan, they did not present it sympathetically to the rank and file. The result was loss of many incentive values the plan could have hoped to attain.

Top-management finds that it cannot operate close enough to the firing line. "Policies" which come to the top for decision are almost inevitably presented in stereotyped fashion. Typically, they are questions on general wage increases, additional benefits, the union shop. These matters of grand strategy are usually less important both to profits and to the individual employee than the day-to-day decisions on seniority, management's right to make decisions, rate establishment and adjustment, employees' job rights, and the company's right to maintain discipline—decisions which are made at the factory level. To make matters worse, these day-to-day decisions are often made on the basis of expediency with an eye to avoiding top-management wrath. Meanwhile, top-management may be worrying about their inability to get closer to the center of the problem.

The ambiguous role of the foreman in decision-making highlights the dilemma. He is told that he is part of the management team, responsible for the relay of company policies to his men. Yet, he isn't given authority to make decisions, he isn't paid significantly more than the men he supervises, and his status is not sufficiently recognized in terms of job security and prestige to identify him with management.

In two companies recently surveyed —one employing over 25,000 and one about 1,000—we found that foremen had little control over decisions affecting their men and that they were inadequately informed on company policies and plans. We found that they received little more pay than the people they supervised, were held accountable

for matters beyond their control, and often had to rely on union officials for their information on company policies and decisions. They generally expressed loyalty to the company, but they felt themselves closer to the rank and file employee.

Just where, then, are the vital decisions made? Where should they be made? Obviously, in many cases neither top-management nor foremen now make the important day-to-day decisions. It is possible, however, to plan the organization so that appropriate responsibility is definitely allocated at each level. Only when responsibility is fixed, is it possible to help those who have had to make decisions with guidance and training programs. Training foremen in skills they do not need or use creates frustration and confusion.

Poor communications up and down the line have complicated the second difficulty of big organization, the setting-up of compensation. Top-management has spent large sums of money setting-up compensation systems which are intended to compensate employees fairly, to recognize the differences between jobs, and to provide extra compensation for increased output. However, the complexity of compensation plans creates misunderstanding and defeats desirable aims.

Some conscientious union officials have tried to work with management on the relationship of wages for different jobs. In the 30's, some unions employed technicians to develop scientific methods for determining base rates of pay. Both Philip Murray and Clinton Golden recognized the principle of sound compensation plans and the value of additional pay incentives for extra effort. (In general, craft and trade unions have been slower than industrial unions to approve of incentive). The general misinterpretation of base rate and incentive plans by the rank and file and the social undesirability of competing against the group have put pressure on the support of top union officials.

This employee opposition is accompanied by a number of other pressures which have further undermined equitable compensation structure. These pressures include:

1. The granting of increases in flat cents per hour destroys wage structure relationships. As an example, in one company, the beginning rate in 1945 was 65 cents per hour, and the top rate was $1.35, or a ratio of over 2 to 1. Since that time, 73 cents have been added to all rates, so that the beginning rate is now $1.38, and the highest paid rate is $2.08. This shows that the ratio of highest rate to lowest is now approximately 1½ to 1. Some companies, particularly in the steel industry, have partially met this difficulty by granting increasing increments along the rising levels of labor grades, in addition to the flat cents per hour increase.
2. Many companies, feeling that the increases since the end of World War II were temporary, have not added such increases to their base rate on which incentive rates are determined. As a result, a base rate of, say, 65 cents per hour may carry an hourly bonus of the same amount for a total of $1.30 per hour. It becomes increasingly difficult to combine the two rates to provide an equitable basis for pricing incentives.
3. Changes occur in job content and methods which, for one reason or another, are not reflected in rates.
4. Employees and their representatives or even members of management sometimes attempt to secure more recognition for a job than it deserves. Since equity is based on relationships, forcing one job out of line distorts the whole structure.
5. Management has not in all instances provided qualified people trained in the technique of wage administration and task measurement. Many times in cutbacks these people are the first to leave the payroll. This usually proves to be false economy. To illustrate: one medium-sized manufacturing company eliminated their wage and salary administration personnel a few years ago. Three years later they found themselves with so many rates that were out of line with other rates and which they could not defend to the union, that they had to revaluate all of their jobs and establish a new rate structure. This method of revaluation required an additional wage payment of five cents per hour for each hour worked from that time on. Since this company has about 5,000 hourly-paid employees and this represents a cost of $100 a year for each employee, the failure to provide adequate administration has cost them on a continuing basis $500,000 per year, whereas the cost of administration would not have exceeded $30,000 or $40,000 per year.

The third effect of the bigness of business is a pervasive feeling of insecurity among employees. The ownership of business is removed from operations. Professional managers direct thousands of employees whom they do not know and are responsible to stockholders whom they usually never see. This dependence on the unseen has been aggravated by technological changes and the memory of the great depression. Removed from the individuals on whom he depends, buffeted by intangible forces he feels helpless to understand or affect, the employee not unnaturally looks for devices to protect his livelihood.

Security patterns take many forms. Chief among them is a demand that job retention, promotions, overtime and vacations be based on length of service. In order to protect himself against fluctuations in income while having some time away from work, he demands paid vacations, paid holidays, paid sick leaves, average earning guarantees and reporting pay clauses.

Perhaps the most persistent demand of this nature is for the guaranteed annual wage. It is difficult to anticipate what forms such guarantees may take. Where the employer is unable to provide relatively stable employment, the pressure will probably come for a type of guaranteed wage largely paid for by the employer and supplemented by increased unemployment compensation. Under such a plan, the employer might contribute a certain percent of earnings to a fund to be distributed to permanent employees who receive less than 52 weeks of work in the year. This is an added cost of doing business which industry may find difficult to meet. Some union officials anticipate that business will ask the government to spread the costs by increasing unemployment compensation benefits.

In the field of pensions there appears to be a general trend for greater benefits. The UAW has recently requested General Motors to increase pension payments to compensate for the increased cost of living. Other unions are asking for similar adjustments.

Employees are continuing to exert pressure for guaranteed earnings during the work day, which tend to destroy the value of incentives where incentive wages are paid. There are more demands for sickness and hospital benefits and for payment for absences due to nonoccupational illness.

BIG LABOR

Unions, for their part, have benefited from the feeling of insecurity and the distance between management and the rank and file which results from the bigness of business. They have demonstrated their ability to bring employees security and they have done a superb job of communication themselves. As Whyte pointed out in an article entitled, "Is Anybody Listening?", union papers may not be technically as well written as management handouts, but they are better read because they address themselves to the real interests of the employees. Members accordingly listen.

The unions have trained their paid representatives and frequently the elected plant representatives in union objectives, contract terms, contract administration, and the handling of grievances. Their influence is felt throughout the entire union membership. Employees' gripes and grievances are given courteous attention and usually are presented promptly and forcefully to management by union representatives. Every member is treated as an individual and frequently identifies many of the privileges which he enjoys as having come from the union. Benefits which are paid for by the employers are described as union benefits, since they are benefits that were usually negotiated by unions.

There is, however, on the other side of the fence some evidence that the increasing growth and centralization of unions is beginning to break down their own inner lines of communications. Unions themselves have grown so much that they are beginning to suffer slightly from the same effects of bigness that are being felt by big business. As an example, certain contract objectives are established by the international union and are a "must" for the local union. The local union frequently states that it has little latitude. While they often have more latitude in negotiations than they admit, locals are often limited by policies with which they don't sympathize.

Further, there is increasing evidence of the centralization of grievance handling. Often an employer believes that an issue is entirely local, only to find when he gets into a meeting that it is part of a general strategy to change the interpretation of a contract provision. While this tactic usually works to the disadvantage of the employer, the creation of patterns not suited to the particular need of the company and its employees may backfire against the union.

The bad effects of the bigness of the union have been mitigated by communications and training activities. Usually we find, despite some evidence to the contrary, that there is close rapport between the employee and his local and international union.

The bigness of unions and business creates patterns in bargaining against which companies large and small, like and unlike, must compete. Settlements in the basic steel industry established patterns for steel fabricators as well as other widely dissimilar industries. Steel and automobile pension plans and the General Motors wage plan influenced the operations of many companies, regardless of size, in these and other industries.

Moreover, many unions adopt certain bargaining demands whose long-range implications are not always understood by nor applicable to small business. Recently, for example, the Rubber Workers have asked for contracts of indefinite duration which can be reopened on 60 days' notice. This is not important to a large company dealing with many locals, since it would be physically impossible for the union to call together its locals, or for the company to get ready for bargaining oftener than once a year. To a small company it could mean as many as six reopenings a year. Big unions frequently make demands which small business cannot afford to administer.

Big unions are creating competitive patterns for themselves, since one union cannot afford to have another union achieve greater benefits for its members. Competition between unions also adds to the cost of doing business.

BIG GOVERNMENT

The growth of industry itself and the Wagner Act have encouraged government to play an increasing role in personnel and labor relations. Its influence grew with World War II, with creation of agencies for control over the hours, working conditions and payments to employees and left its mark even after controls. With the Korean war, the government reassumes most of its authority and influence on private personnel activities.

We cannot deny that in this complex society, under present conditions, it is sometimes to the public interest for the government to intervene in strikes and other matters affecting national security. How far the government should and will go depends largely upon public opinion, the needs of the country, and the ability of union and management to solve their own problems.

The government suffered a setback in its right to settle strikes when the Supreme Court disallowed the seizure of the steel industry, yet, should there continue to be incidents affecting the public interest, some method of government seizure or settlement will have to be provided. It doesn't matter whether it comes within the next few years or the next ten years.

Further, as Benjamin Fairless pointed out in a talk in Chicago recently, unless some method is provided for industry and labor to settle their own disputes, not only will the rights of industry be affected but also the rights of employees to bargain for themselves. This will, of course, be a form of socialism, perhaps limited to allow private management and controlled profits.

NEED TO WORK TOGETHER

Luckily, the very size of labor problems has made the public more concerned about stable, uninterrupted production and good company-union relations. It is perhaps this public recognition of the problem that has made both industry and labor more aware that their problem is a public one.

Since the end of World War II, the United States, in spite of its great industrial output, has seen the greatest

number of work stoppages affecting the largest number of people in the history of the country. Many of these stoppages have affected huge segments of the population, sometimes in related industries and sometimes in widely dissimilar industries. We have seen coal strikes tie up the steel industry and fabricators of steel products, affecting the work of hundreds of thousands of people.

Similarly, we have seen small tugboat strikes threaten the well-being of millions of city-dwelling New Yorkers. The same is true of railroad and other strikes affecting transportation and communication. There have been several stoppages in the steel industry. Both management and the unions have found it necessary to publicly defend their positions. We have heard speeches by industry and union leaders; we have seen paid advertisements and many editorials on this matter. Both sides are aware of the effects of a concerned and hostile public.

This mutual recognition of the need for cooperation is something new in American labor history. Due to the rapid growth of the labor movement in the United States in the last 50 years, it is not the individual but the organized group which is the principal economic agent: the corporation for the employer, the union for the employee. These agents representing two groups have had a tendency to be antagonistic. The points of difference stem from the struggle over their respective shares of the joint product and over their respective degrees of prestige and independence. It is possible that the pressure of public opinion may now require both union leaders and businessmen to overcome their misgivings about cooperation and develop the large areas of common interest which they have previously neglected. It is certainly no time for management to relax its efforts in this direction because of any wishful thinking that the election results will automatically and overnight bring about a great improvement in its position vis-a-vis labor.

We have seen numerous examples of cooperative enterprises between companies and unions. One of them is the Scanlon Plan, which has been adopted by at least 50 companies. It provides for setting aside an agreed-upon portion of the sales dollar for labor costs and requires joint management-employee-union effort to reduce direct labor costs. This plan was first introduced in 1947 and it is too early to judge its long-term applicability. Further, the prerequisite conditions for its success do not always exist. Nevertheless, the plan has aroused widespread interest and many companies are exploring the possibili-

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ties of this and other joint management-union plans for increasing output and reducing costs, in which both the employee and the company share.

JOINT EFFORTS

Perhaps more significant—and certainly more widespread—are joint union-management efforts to establish the relative value of jobs.

Executives of many companies where such committees have been in operation have since stated that the greatest benefit received from these studies was the experience of management working together with employees and its effect on mutual understanding of company and employee problems. The graded relationships of jobs was a valuable by-product. Other cooperative efforts include labor-management committees and safety work.

Another area where labor and management have been showing signs of cooperation is in participation on public boards such as the national labor, wage and other public boards and committees. While it has frequently seemed that there was little teamwork and harmony, this frequent association has probably produced mutual recognition of common problems. Unfortunately, the evidence is not conclusive in this respect, and there is still much to be accomplished.

Because of the growth of our economy, the increased level of education, and more effective communication media, we have an enlightened public keenly concerned with all matters which affect the interests of the people or the government. It may be that unions and business will have to get together on joint efforts of even greater stature than those they have worked on in the past, in an attempt to develop the large areas of common interest. It is a fallacy for unions to propagandize their members with the belief that their interests are not identified with those of the industries which they serve. On the other hand, any enlightened labor or personnel relations program worked out by management which overlooks the consequences of its employees' holding membership in a national trade union is not likely to succeed. Both of these points of view fail to take into account major obstacles. The former forgets the economics of the situation, and the latter fails to consider the political aspects of the problem.

In making its plans for a long-term future, a company will wish to chart its course with full knowledge of the external conditions which it faces, the present status and effectiveness of its personnel relations program and the long-term needs of the company. The growth and strength of the labor movement and the effectiveness and the objectives of the labor organization will be considered. The labor union and industry must work more closely toward common goals.

It is not possible for most companies to plan or work with unions on a big scale. It is, therefore, imperative that they plan an individual program for their business, giving consideration to national union aspirations and goals, to the growth trends of industry and business, but primarily building their plans around the needs of their own company and their own employees. It is necessary in such a program to emphasize participation. Participation is probably the key to a sound long-range program. Only by working together toward mutual goals can we achieve the harmonious relationships which are necessary to full productivity and to mutual understanding of common problems. While the typical company can only gain this understanding on the local level with its own employees, it can by recognition of the national union and its objectives, frequently circumvent adverse effects of union actions.

WHAT CAN MANAGEMENT DO?

In planning a long-term labor relations program a company will do the following:

1. Determine its needs through a careful personnel study.
2. Provide for systematic and adequate control and audit of labor and personnel policies practices.
3. Fix its personnel philosophy to conform to its long-term objectives and implement the philosophy with policies which are known and understood by all levels of management and by employees.
4. Organize for personnel administration by fixing responsibilities for decisions affecting people at appropriate management levels and by providing line management with an adequate measure of staff assistance.
5. Provide a well-trained and enlightened supervision and management sympathetic to the company and its philosophy.
6. Provide sufficient and equitable financial incentives and appropriate status for employees.
7. Plan for and conduct union relations on a mature basis, giving full consideration to the aura of external and internal conditions which surround a labor relations program.
8. Take the initiative in planning for employee and company needs and in their presentation, and in developing areas of common interest in which management, employees and the union can jointly work to the real and mutual interest of the company and its employees. ★

CHAPTER STANDINGS
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Los Angeles	151	Allentown	1230
Milwaukee	143	Charlotte	920
Lancaster	142	Baltimore	890
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Hudson Valley	95	Bridgeport	702
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Eighth Annual TIME STUDY AND METHODS CONFERENCE

By LAWRENCE L. PARRISH

THE EIGHTH Annual Time Study and Methods Conference sponsored by the Society for the Advancement of Management and the Management Division of the American Society of Mechanical Engineers will be held on April 16th and 17th, 1953, at the Hotel Statler, New York City.

The program is designed to bring answers to engineers, cost accountants, production managers, training directors, industrial relations managers and others who want leadership in technical fields.

OUTSTANDING SPEAKERS

"Time Study and Methods for Lower Total Costs" is the general theme of this year's program. The Conference Committee, representing SAM and ASME has assembled a group of speakers and session chairmen for the two-day session from nine states and Canada, representing a selection from among many persons suggested as possible speakers by SAM Chapters all over the country. Among these names are ones already known to national ASME and SAM audiences, such as Dr. Lillian M. Gilbreth, Harold F. Smiddy, Edward W. Jochim, Lawrence A. Appley, Ralph Presgrave, and Phil Carroll. In addition, new personalities will appear on the platform, men who have built local or regional reputations as leaders and speakers in the field of management.

Some speakers will deal with problems troubling the industrial engineer in his daily work and others will delve into areas of concern to higher management, not only for effective performance today and tomorrow, but for company survival and success in the years to come. Reports on research and experimentation in several areas will stimulate the type of broad-gauge thinking so much needed for successful management in these difficult times.

Speakers will hold their talks on a practical plane, weaving in case examples and illustrations drawn from their own experiences. To supplement the prepared speeches, the schedule includes ample time for discussion. Proven techniques of handling questions from the audience make it possible to touch upon those topics of most interest to the listener. Most speakers are able to arrange personal schedules so as to remain at the Conference for extra time beyond their own sessions and are, thus, available for individual discussion.

There will be morning and afternoon sessions on each of the two days plus special speakers at luncheon on Thursday and Friday and at the Thursday evening banquet. Details of the program will be found on the opposite page.

This Conference is always one of the highlights of the year for people interested in industrial engineering and management. Attendance runs in the neighborhood of 2,000; thus, there is an unparalleled opportunity for participants to meet and exchange ideas with others of like interests from all parts of the country. Informal talks with old friends and acquaintances are a beneficial part of the Conference.

OTHER FEATURES

In addition to the program, those in attendance will find other sources of information and ideas. Literature of interest to management men will be featured. The SAM rating films will again be shown continuously in Parlors A and B on the mezzanine floor near the Grand Ballroom. Having been adopted by approximately 200 leading industrial firms in this country and abroad for training in the measuring of "A Fair Days Work," these films will be of help in solving some of your own training and production problems.

This year's Conference promises to live up to the high standards established in preceding years. Not only will it serve as a concentrated "refresher course" for experienced men, but it will also stretch imaginations and impart flexibility to brains which may have become a bit "muscle bound" by the continued exposure to the same environment, people, ideas, techniques and methods. For relative beginners in management, the presentation of new ideas, the rethinking of basic principles, and the contacts with the group of speakers and participants in the Conference will be a stimulating experience.

In these days of global competition between economic systems, SAM is proud to be able to participate in helping to increase the effectiveness of a group whose contribution to the functioning of our system is so significent.

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VISITORS WELCOME

All sessions will be open to members and non-members. Members are requested to place information concerning this Conference in the hands of other executives and officers of their companies and to invite them to attend. Admission to all events is by ticket only.

Special arrangements will be made for the Ladies attending the Conference in Rooms 111 and 112. There will be a receptionist present. Flowers will be furnished and other provisions made for the enjoyment and comfort of the Ladies. Members of the New York Chapter of SAM will act as hosts to those attending this Conference.

Time Study and Methods For Lower Total Costs

Thursday Morning, April 16th

MODERN PLANT TECHNOLOGY—The Industrial Engineering Story behind new plants.

PRODUCTION PLANNING AND LAYOUT

H. G. FROMM, *Production manager, Johnson & Johnson, New Brunswick, N. J.*

METHODS AND MEASUREMENT

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INCENTIVE MANAGEMENT

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Thursday Luncheon

CANADA'S PROSPERITY AND THE UNITED STATES

M. W. MACKENZIE. *Executive Vice-President, Canadian Chemical & Cellulose Company, Ltd., Montreal, Quebec.*

Thursday Afternoon

SOUND SOLUTIONS TO PRACTICAL PROBLEMS

HOW FAR SHOULD INCENTIVES BE APPLIED?

W. W. TAYLOR, *Supervisor, Time Study Department, Cincinnati Milling Machine Company, Cincinnati, Ohio.*

HOW TO REDUCE TIME STUDY GRIEVANCES

JOSEPH G. GILLAND, *Manager, Cost Estimating Department, Packard Motor Car Co., Detroit, Mich.*

HOW TO CONTROL PRODUCTION COSTS

PHIL CARROLL, *Professional Engineer, Maplewood, N. J.*

Friday Morning, April 17th

RECENT RESEARCH

NEW TECHNIQUES IN PRODUCTIVITY MEASUREMENT

WILLIAM LANGENBERG, *Manager, Cost Division, Johnson & Johnson, New Brunswick, N. J.*

FATIGUE — MEASURING AND REDUCING IT

L. A. BROUHA, M.D., *Dr. of Science, Physiologist, Haskell Laboratory for Industrial Toxicology, E. I. du Pont de Nemours & Co., Inc., Wilmington, Del.*

CONTRIBUTIONS OF EXPERIMENTAL PSYCHOLOGY TO MACHINE DESIGN

DR. ALPHONSE CHAPANIS, *Director, Psychological Laboratory, Institute for Cooperative Research, The Johns Hopkins University, Baltimore, Md.*

Friday Luncheon

HORIZONS FOR INDUSTRIAL ENGINEERS

HAROLD F. SMIDDY, *Vice President, Management Consultation Services Division, General Electric Company, New York, N. Y.*

Friday Afternoon

PROGRESS IN WORK MEASUREMENT

BASIC MOTION TIME STUDY

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Studies in Relationships of Therbligs

By GERALD NADLER, Ph.D and J. WRAY WILKES

An experimental approach to a basic problem leads to significant conclusions.

MANAGEMENT CONTINUALLY faces the problem of improving systems, methods and procedures. The scientific approach to this problem requires reducing the problem to its smallest possible terms. Obviously, it is not always possible to reduce such problems to as small a unit as can the industrial engineer in motion study of production and clerical operations. Nevertheless management, in attacking these problems, can benefit from the industrial engineering approach.

In analyzing work the industrial engineer uses a small unit called therbligs. Therbligs are a qualitative breakdown of work such as an atom is a qualitative unit of matter. When using therbligs, the industrial engineer has always asked two questions: (1) when designing methods, what is to be done with a certain therblig when used under different conditions? In other words, what is the relationship among the therbligs or other small problem units when they are put together in various ways?; (2) would it be possible to assign a time value to each therblig which could be used to arrive at a production standard for the job? The latter question has been supposedly answered by the advent of predetermined motion time systems. The industrial engineer will again ask how this can be done if the relationships of therbligs are not known? This series of experiments was particularly designed to answer the questions of relationships of therbligs.

In the first experiment a series of therbligs was set up. This series consisted of a transport empty from the micro-switch to the selector switch knob, grasp the knob, turn the knob 30°, release load of the knob, transport empty to the micro-switch, and contact grasp the micro-switch. This series of therbligs was performed on a work surface inclined at 45°.[1] The selector switch knob was located a distance of 18 inches along the surface from the front edge of the surface (nearest the subject's position). (See Figure 1). A micro-switch was mounted on the front edge of the surface so that the two switches were on a line passing through the center of the operator's body-position and perpendicular to the front edge of the work surface.

FIGURE 1.

STATEMENT OF THE PROBLEM

The problem was one of learning what would happen to the times for each of the individual therbligs as the mechanical procedure for one therblig was changed. In order to do this, three types of selector switches were used to provide electrical contacts at the beginning and ending of the turning of the knob. Each switch was turned clockwise through an angle of 30° at each turning.

Switch I was of the mechanical-stop type which could be turned through the desired angle of 30° and no farther. A remote control system was provided to return the switch to the "ready" position between cycles.

Switch II was the "click" type which gave a certain amount of feel to the position change. A slight clicking sound accompanied each turn of 30° so that the subject could both feel and slightly hear the switch turn into place.

Switch III was a free turning switch with electrical contacts spaced at 30° but with no stops of any kind at the contact points. It was controlled visually. The subject was required to line up a mark on a dial of three inches radius with a mark on the work surface.

The distance between the micro-switch on which the hand rested between cycles and the knob for turning

HIGHLIGHTS ON THE AUTHORS

Dr. Gerald Nadler is Associate Professor of Industrial Engineering, Washington University, St. Louis, Mo. Prior to this, he taught at Purdue University. In addition to teaching, Dr. Nadler has extensive experience in industry. Active in SAM, he is a member of ASME, the American Society for Engineering Education and Sigma Xi. In the past, Dr. Nadler has written for ADVANCED MANAGEMENT and other industrial publications. Mr. J. Wray Wilkes holds a BS degree in Mechanical Engineering, Southern Methodist University, 1944; MS in Industrial Engineering, Washington University, St. Louis, Mo., 1951. Since 1950, Mr. Wilkes has been instructor of Industrial Engineering, Washington University.

the rotary selector switch was constant for all three switches. Knobs identical in size and shape were used for the turning of switches. All three selector switches were adjusted to require approximately the same amount of torque for turning.

Each subject was seated on a back-rest stool 27¾ inches high with his back against the back-rest. The stool was so placed that when the subject extended his right arm over the knob with fingers out-stretched, his fingertips reached between three and six inches past the center of the knob.

The height of the micro-switch at the front of the panel was 37¾ inches above the floor. A recording kymograph was used to record elapsed time of each portion of each cycle of movement of the hand. A stimulus signal was provided in the form of a buzzer which could be actuated from behind the surface or from the kymograph location.

PROCEDURE

Six subjects were used in the testing procedure. They were senior men students selected at random from the Industrial Engineering Department at Washington University. All were instructed to move at their fastest pace during each cycle. The fastest pace was selected as the speed to use for each subject because it is the easiest to standardize among subjects for the various selector switches used.

The stimulus buzzer was used to initiate each cycle. In order to prevent anticipation by the subject of the start of the cycle, the time from the end of one cycle to the start of the next was varied at random.

Each subject was given 20 cycles of training for each of the three switches followed by a five-minute rest period before the final runs were made from which the measurements were taken. Six recorded runs were made for each subject with a typical order of operarest; recorded—III, II, I; rest; recorded—I, II, III. This sequence balanced any learning effect which might have affected the results.

Nine or more cycles from each run were recorded on the kymograph tape. In measuring cycles on the tape, the first cycle was discarded and the next eight were used. The time unit is 1/15,000 of a minute.

The cycles were analyzed and the following measurable parts were obtained:

(1) Reaction time—the interval of time from start of stimulus signal to release of micro-switch by the hand.

(2) Transport empty up plus grasp (TEu + G) time—interval from release of micro-switch to start of turning of selector switch by the hand.

(3) Turning time—time for turning the selector switch 30°.

(4) Release load plus transport empty down (RL + TEd) time—interval between end of turning of selector switch and depression of the micro-switch by the hand.

(5) Total time—interval from start of stimulus signal to depression of micro-switch after turning selector switch.

(6) Total time minus reaction time—interval from release of micro-switch before turning selector switch to depression of micro-switch after turning.

(7) Approximate-at-switch time—interval from just before grasp to after release load of knob as indicated by the electric eye.

(8) Transport empty up plus transport empty down (TEu + TEd) time—the two movement times combined, arrived at by subtraction.

(9) Grasp plus release load (G + RL) time—obtained by subtraction.

Analysis of variance[2] was used to find the level of significance of differences for the three switches used. An F ratio is obtained by following the standard calculational procedure for analysis of variance for three components. The computed F value is used with a table[3] which gives the maximum

RESULTS

(in 1/15,000 of a minute)

	Switch I	Switch II	Switch III	F
1. Reaction Time	56.3	55.7	59.7	1.5
2. TEu + G Time	60.0	67.8	82.0	21.3
3. Turning Time	4.6	8.4	31.8	51.3
4. RL + TEd	81.5	82.8	170.1	46.8
5. Total Time	202.3	214.7	343.6	93.0
6. Total Time Minus Reaction Time	146.0	159.0	283.9	105.2
7. Approximate-At-Switch Time	40.2	51.2	156.6	74.9
8. TEu + TEd	105.8	107.8	127.3	5.5
9. G + RL Time	35.6	44.5	124.8	36.4
F for 1% level of confidence				7.56
F for 5% level of confidence				4.10

TABLE 1.

F value which could be expected five times in 100 or one time in 100 on the basis of chance fluctuation when there is no true difference among the variables tested. By assuming no true difference and comparing the computed value of F with tabulated values of F, the level of significance of difference for the experimental results is obtained.

Thus, a value of F from experimental data which is greater than the corresponding F from the table for chance fluctuation of one in 100 indicates that the probability of chance causing the differences is less than 1 in 100, or below the 1% level of confidence.

RESULTS

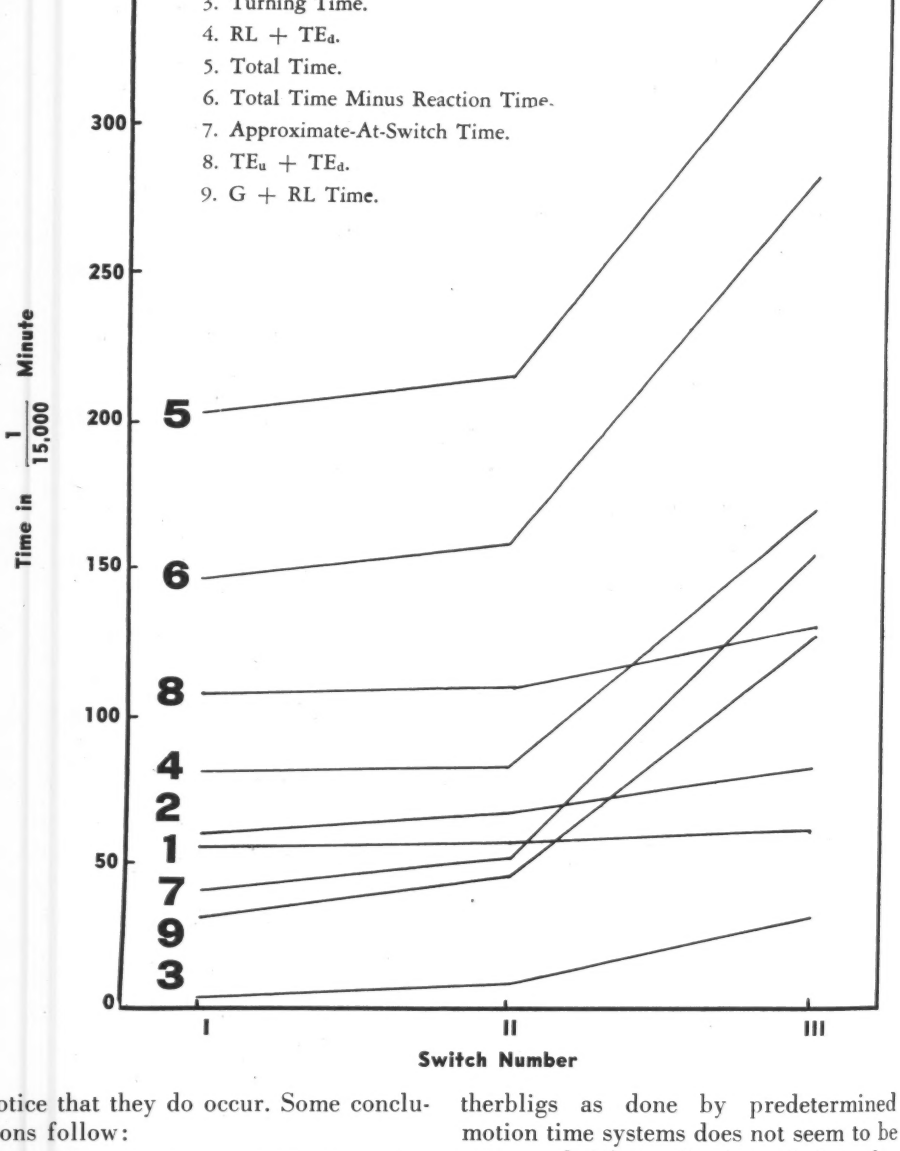
The measured times show that there are distinct differences in the times for each portion of the activity cycle for the different work conditions. The F test applied to the data for each part of the cycle for each selector switch shows that the obtained differences were highly significant, for all measured parts of the cycle except reaction time. The values of reaction time may be regarded as independent of the motion cycle which follows in each case.

Table I gives the values of average time for the six subjects for each part of the activity cycle for the three switches with the F values for each part. Figure 2 is a graphical presentation of these results.

These results indicate: (1) the separation of activity into therbligs to obtain independent time values for each therblig does not appear to be warranted. This appears to be true even if an attempt is made to define carefully the context activity; (2) a change in work conditions in one therblig in a sequence of therbligs will significantly affect the time of the total sequence; (3) a change in work conditions in one therblig in a sequence of therbligs will significantly affect the time of the surrounding therbligs.

The conclusions are based primarily on item 2, TEu + G time, and item 8, TEu + TEd time, shown in Table I. These particular motion times, from all indications of design of experiment and previous conclusions of therblig relationships should have remained indentical in all three cases. The therbligs transport empty plus grasp were identical in all qualitative descriptive respects. It is difficult to explain why these time differences in this motion occurred, but it is more important to notice that they do occur. Some conclusions follow:

FIGURE 2—Curves of Activity Time.



(1) We must be careful in designing methods to watch the relationship of therbligs. Tentatively, it might be said that if therblig A takes a longer time, then the surrounding therbligs tend to increase their time from what they would be when placed in relation to a shortened therblig A. Obviously, this very general statement is good only for comparison purposes. When trying to discern between different methods for the same job, this statement is a very general qualitative rule; we cannot place any quantitative criteria in the rule.

(2) The attempts at determining a universal time value for individual therbligs as done by predetermined motion time systems does not seem to be warranted. The collection of data for an individual motion such as item 2 would include all of the errors mentioned above. In the same way, the application of the collected data could not be accurate because the analyst could not determine what effect the particular job conditions would have on an individual therblig. ★

1 Mundel, M. E., McFarland, C. W., Nadler, G., Margolin, L., "The Determination of Basic Design Data for Control Type, Location and Arrangement: Selector Switches," Unpublished Report, Motion and Time Study Laboratory, Purdue University, Special Devices Center, Office of Naval Research, 1948.

2 Lindquist, E. F., "Statistical Analysis in Educational Research," Houghton-Mifflin, New York, 1940, Chapter 5.

3 Ibid, p. 62.

NMC INTERNATIONAL NEWS

EDITOR'S NOTE: NMC International News, written by the Staff of the National Management Council, is a regular feature of ADVANCED MANAGEMENT.

The Society for the Advancement of management is a charter member of NMC, a non-profit, non-political organization founded in 1933 by the leading societies and associations interested in the promotion of the science and art of management. NMC represents the United States in the International Committee for Scientific Management (CIOS), a coordinating, cooperative society, composed of like associations in 20 other countries.

ECONOMIC STRENGTH among free countries of the world is good defense against the spread of communism. On the other hand, where there is hunger, poverty and disease, there is fertile ground for the growth of communism.

The United States has through its own effort reached a standard of living undreamed of in any other area of the world. This standard of living can hardly be maintained if our Government must ever increase its expenditures for defense against forces outside our domain. It is a historical fact that prosperous countries in the past have failed when their people have permitted complacency to enter their daily lives, when they have failed to recognize the pressure of outside influences which were hostile to their way of life. This can happen to us and we must be forever vigilant. We cannot prosper surrounded by communistic controlled countries.

What then can management do to decrease these outside pressures? We have through trial and error created and developed management methods in this country that have permitted free enterprise to flourish. Management here has recognized the dignity of man. Free opportunity for all has been fostered by our management. These attitudes are the best defense against world communism. They have not been recognized as fully by management in other nations. We must, through the free exchange of methods and attitudes we have found successful, assist management in other areas of the free world to strengthen their economies by helping them to understand what has made us great.

It is not a one-way street. There is much that we can learn from this free exchange from management overseas. They, through the years, have conceived methods yet untried in this country which can be adopted by us with success. For American management to assist others is not entirely philanthropic in concept. Americans must be concerned with the living levels in other nations of the world. This concern is based on humanitarian reasons, but there are practical reasons as well. By such assistance we can deepen the markets for the products of our factories and farms. When people have a higher standard of living, their needs continue to expand.

AN INTERDEPENDANCE

Peoples of other countries provide an important share of our markets already. In turn, we depend on those countries, for many things we do not produce, or of which we do not produce enough. By buying these products abroad we enable the exporting nations to buy our products. From many nations come such raw materials as bauxite, asbestos, chromite, copper, nickel, tungsten, and manganese—all are essential to our production. If these nations do not maintain a friendly attitude toward us and these supplies fall into enemy hands, we will suffer.

With the constant endeavor to raise standards of living, industry is becoming increasingly complex. The far corners of the earth must be combed constantly for raw materials; there is scarcely any branch of industry that is not dependent upon others, and few countries indeed can produce all the goods necessary to satisfy national demands. In free enterprise states there is competition to meet within each branch of industry, as well as among the various branches, while in the controlled economy areas, the state itself frequently intervenes in the flow of international trade.

In view of these many complexities it is no wonder that industry throughout the world is concerned with, and devoting considerable time to, the education of persons who show promise of becoming managers and leaders. While it is recognized that theoretical study alone cannot supplant experience in the training of industrial managers, there is a wide-spread conviction that the general ability to manage can be accelerated by formal and systematic education.

The National Management Council in cooperation with like national committees in other free nations of the world, which form the International Committee for Scientific Management, recognizes this need for education in management. The NMC has sponsored conferences on education for management in areas outside of the United States. This work will be continued and expanded. It has already borne fruit. In Turin, Italy, a school is being established for the teaching of scientific management techniques. This school is being financed by private funds, furnished by Italian industry for the training of future managers.

American management must find every avenue at its command to assist their counterparts throughout the free world to strengthen the free economy against hunger and want by better management. The strongest possible defense against communism is a better living standard for the peoples of the world by better management of manpower and materials. This method is much less costly than arms and men to fight our common enemy on the field of battle. Through this cooperation much can be accomplished to bring peace to the world and to remove ourselves from the yoke of taxation made necessary by present defense needs. ★

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The Management Bookshelf

The Quest Of The One Best Way, by LILLIAN MOLLER GILBRETH, published by The Society of Women Engineers, 2854 Fairfield Avenue, Bridgeport, Conn., 1952.

People throughout the country, indeed throughout the world, who have a management bookshelf, will have on it some of the technical writings of Frank and/or Lillian Gilbreth. Others who have laughed over the popular legends of the Gilbreth family ("Cheaper By The Dozen" and "Belles On Their Toes") in book and film by two of the dozen, will find it a joy to add to their bookshelf "The Quest Of The One Best Way," by Lillian M. Gilbreth.

This 64-page volume is subtitled, "A Sketch of The Life of Frank Bunker Gilbreth." No matter how hard the author, in her characteristic way, attempts to keep herself out of the picture, her book will remain a classic record of that famous man-and-wife Engineer Team.

First published by The Society of Industrial Engineers soon after 1924, the book is now reprinted by The Society of Women Engineers who have been helped in this worthy project by Mr. John L. Schwab and Mr. Gray L. Carpenter because all of them believe, as do many others, that here is a book that should not be out of print.

In "Cheaper By The Dozen," you will recall how when all the family in the now famous Pierce Arrow would cross a bridge, father would point out to them the achitecture and engineering while mother quietly called their attention to some man or men working on it. There can be glimpsed some of the spirit that has gone into this book and that has immortalized the name *Gilbreth* as their methods and philosophy have gone into all parts of the world and into every part of man's daily work, whether it is in factories, offices, department stores, hospitals, the Armed Services, kitchens, rehabilitation, child care—the list never ends.

"In laying out his life's plan, Frank had decided among other things that in all likelihood he would not marry. He knew that he had set himself a difficult goal and felt that he would be loath to ask any girl to share his problems and to work as hard as he knew it would be necessary to work in order to attain the things that he desired. . . . However, he changed his mind, as even Quest Makers do. . . ."

This inside story goes on to tell how they worked together; how, as the Dozen came along and became part of The Quest, their mother worked her first engineering degrees; how she persuaded Frank to set down the first records of his experience; how they made records of their joint experiences; how "Frank's passion for finding differences" and hers "for finding likenesses" led to continuing creative experiment and achievement; how Motion Study was started and developed and the Gilbreth Cost Reducing System became part of their spirited Quest of "the One Best Way of setting forth what they believed to be the underlying principles of effectiveness in work. . . ."

Here is a vital chapter in the history of Scientific Management—the Gilbreths' association with Taylor, Gantt and other leaders and pioneers; how the term *Scientific Management* was coined; their thoughtful and fateful decision to "go it alone" when flattering offers came to father their projects; to leave the field of construction for "the new profession of management engineering" in which, with prophetic vision, they at once saw the fundamental importance of education and psychology; their original "one best way" laboratories in their clients' plants, in their own home; their summer School of Scientific Management which well might have been the precursor of many since; the war work in which they developed their history-making "new technic of motion pictures as a teaching device. . . ."

It was the war work with its heavy demands that proved too much for one of the Quest Makers. The book ends with the lines, "The Quest goes on." All the world knows how it has been carried on by Frank's partner for the last 30 years and that it still goes on.

PEARL F. CLARK
2 Fifth Avenue
New York, N. Y.

Principles Of Human Relations, by NORMAN R. F. MAIER, published by John Wiley & Sons, New York, N. Y., 1952. 474 pages.

Group decision is the basic theme of "Principles of Human Relations." The author is a professional psychologist who has written this volume to introduce the reader to improved ways of dealing with the human element in the organization. Dr. Maier is convinced that the methods he proposes for the overcoming of communication barriers and the handling of people "constructively" constitute a guide or blueprint for progressive management of the future. Broadly speaking, the author is an advocate of the currently popular "group dynamics" approach to the solution of problems in human relations.

The content of "Principles of Human Relations" consists of a presentation of basic principles and methodology intermingled with case studies designed to illustrate the application of the procedure.

One day, doubtless, a voluminous study of intellectual fashions in the social sciences will be written. Such a study would no doubt note the period when the mystic incantation of the sociologist was, "Hurrah for Group Dynamics—The More We Agree, The Happier We Shall Be."

If our investigator is of a cynical turn of mind, he may be moved to point out that as time moves on the social scientists leap from intellectual limb to intellectual limb, abandoning each as it threatens to break beneath, in a frantic search for final security of view.

A current intellectual fad is *communication* and what to do about it. Let me hasten to say that no one in his right mind questions the importance of communication. It is well today that we should emphasize the necessity for improvement of ways for transferring ideas from mind to mind and the stimulation of positive response. This does not mean, however, that improved methods of communication or "new" techniques of persuasion constitute the sole key to the problems of the social order. There is doubt that any single device, such as group dynamics, constitutes a cure-all for our organizational shortcomings. The theory of group dynamics seems to fail to give adequate consideration to at least one very important point which may be put in the form of a question. Is a group solution of some problem, characteristically near the median or mode of group opinion, necessarily the "right" answer or even a workable one?

From the management point of view, it must be remembered that timely action as well as wise action is an absolute requisite in important issues. No intelligent management man denies the value of cooperative effort or assumes that the group leader should arrogate to himself the making of all decisions. On the other hand, it should be remembered that most adages are half-truths, at best, including the saying that "two heads are better than one." The proper answer to the assertion that "Group thinking may be regarded as superior to that of an individual, since the thinking of a number of individuals is pooled," (p. 301), is that "It all depends." This is explicitly admitted by the author of "Principles of Human Relations (p. 302).

Even if these criticisms of the group dynamics approach appear valid to the reader, it should not be thought that Dr. Maier's work represents nothing of use to the student or practitioner of management. To anyone with experience in administration, much of the material dealing with democratic supervision will serve as refreshment and warning. For those who have heard of current issues in the area of communication but are not familiar with them, much food for thought will be found. For such readers, Chapters 2, 3 and 4 may be of particular interest, as presenting the essence of the group dynamics approach. Unfortunately, the sort of personality who could profit most by incorporation of something of the positive approach advocated in this book into his practice is perhaps the least likely individual to ever read "Principles of Human Relations."

RONALD B. SHUMAN
Research Professor of Management
University of Oklahoma
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Executive Personnel Development

By JAMES C. WORTHY

(Continued from page 8)

be too strongly emphasized. However, this necessitates adequate and careful selection at the outset. All of our Reserve Group members are hand-picked with considerable care, and frequently evaluated and appraised.

"Sixth: Our executives are judged, not only on their technical ability, but on how well-rounded their personalities are, how mature they are and how capable they will be in dealing with a variety of business and social situations. We judge them on the basis of character, maturity, work habits, initiative and imagination—as well as on their technical knowledge and understanding of their jobs and the organization.

"Seventh: Throughout this process, the personnel department plays an active role. It is our job to know people and to know them well. To this end, we observe our executives and Reserve Group personnel in a variety of situations and from many diverse points of view. We use our psychological tests. We observe them through our organization surveys. We have them evaluated by their superiors. More than this, we get to know them personally, and we talk about them frequently with their superiors and others who know them and their work. As a matter of fact, a man in Sears is talked about and thought about throughout his career. This applies from the lowest to the highest levels of the organization. He is never out of sight or out of mind.

"Eighth: We're not afraid to discuss with a man his abilities and disabilities. We're not afraid to talk to him because we have a fundamental confidence in his ability to adapt himself and learn if given the opportunity. In this kind of atmosphere, it is surprising what a man can take and what he can do if given half a chance. We have seen men grow at Sears. We've seen them come in without too much knowledge of the world and what it's all about. And we've seen this happen to young men without higher education and without "proper" background.

"Ninth: In all our discussion about executive development at Sears, the continued growth and expansion of the company has been implied if not explicitly stated. You cannot have a dynamic and vital executive development program unless your organization offers real opportunities. To this end, Sears retires its executives at age 60, solely to create vacancies at the top and accelerate movement within the organization. More important than this is the fact that Sears has continued to spend large sums in programs of expansion, both here and abroad. One of the fundamental reasons for this expansion has been to provide continuing opportunities for capable, ambitious young men. I believe very deeply and very sincerely that this should be one of the primary objectives of American business, for it implies not only confidence in our economy and nation, but confidence in people.

"Tenth: Finally I cannot emphasize too strongly the importance of personal courage on the part of top-management. It is very easy, for purely business and security reasons, to subvert any one or all of the foregoing principles for immediate gains. Often, even in the best organizations, you have to fight for principles. You have to be willing to lay aside your own personal interests of the moment for the long-range advantage to the individual employee, the organization, and the society.

"These are some of the principles which have evolved thus far from our experience with executive development. We are proud of our program because it has worked exceedingly well for us in meeting the executive requirements of our company through a long period of expansion and through a major world war. We are also proud of this program because it has given many individuals an opportunity to move into positions of leadership and responsibility which might not otherwise have been open to them."

SMALL BUSINESS OUTLOOK

There is one final point I want to make—that this business of executive development is not something just for the big fellows like Sears, U.S. Steel and so on. People in medium-sized and smaller companies cannot afford to say to themselves, "In my little business, this is something I don't have to worry about. I know all my people and I know what they can do. They know me and they know what they can expect. Anyhow, I couldn't go into such an elaborate program. I'll look for my future executives and for my successor when the time comes that I need them."

Actually, it's not only *not* true that the small business does not need to give attention to executive development; what is *really* true is that it is big business that can afford to let things slide for quite a while, whereas small business cannot survive incompetent leadership for more than a very short time. In the large organization, there will nearly always be quite a number of really capable people—simply by the law of averages. Furthermore, a large organization can run quite a distance on momentum and memory alone. A small organization has only a small number of people from whom to choose. If they aren't equal to the job, the business itself won't last long. In other words, the law of averages is *against* there being adequate leadership candidates in the small organization *unless it does something about finding and developing them.*

You may say, "What does a man from Sears, Roebuck know about small business?" The fact is, we probably know more about small business than a lot of small businessmen themselves. We deal with over 7,500 suppliers, the great majority of whom are small—sometimes *very* small businesses. We depend on them on their ability to produce, on their integrity, their quality consciousness, their engineering, their technical know-how. So we must get to know them inside out. One thing we see every day is the overwhelming importance of the succession problem in small business and the poor shape it's in, in so many companies. We have seen successful small company after successful small company go downhill because there was no one there to take over from the old man who had built the business.

Nor is this our experience alone. Mr. Burleigh B. Gardner, Executive Director of Social Research, Inc.—one of the outstanding students of this problem—recently completed a study of why small businesses fail. He found that in a great many cases failure was due primarily to inability to find adequate successors—to the incompetence of the people who took over from the founder—in a word, to lack of preparation for tomorrow's management. The same conclusion has been reached by other students of the problem, including the Brookings Institution.

Certainly, the small business will not have to apply the elaborate techniques we in Sears have had to develop to meet the needs of a large, nation-wide organization. It will have to develop a rational and systematic approach, and in a small business where family influence is often very strong this may well be more important and more difficult. It will have to study its own organization. In fact, the typical small business problem is essentially an organization problem: the "old man" does everything himself and doesn't let anyone else learn the business—there are only specialists and clerks around him.

There is need for objective evaluation—and an equal need for performance standards. Certainly there is need for principles—again in a small business situation, with its great personal pressures of friendship and family, principles may well be even more important than in the large business, and more difficult to stick to. Finally, top-management support for an executive development program is as essential in a small business as in a large one. So don't think that the small business does not have the problem because some of the techniques I talked about today couldn't be used in a small organization. The job is the same, and usually the way to get it done is the same.

I stress this especially, because I am worried by the disregard of executive development in so many of the small businesses I see and hear about. I believe that in this country during the last 20 years we have conclusively disproved the old bogey that the "soulless giant corporation" will gobble-up small business. We have actually learned how these two can live and work together as partners, each doing the job he is best fitted to do for the advantage of both and of the economy. As a result, we have a much stronger economy and a much stronger society than we would have if there were only very large businesses or very small businesses.

A new danger to the survival of small business has appeared—its increased difficulty in developing people good enough, able enough, and ready enough to supply tomorrow's small business leaders. I think we in the large corporation, under the spur of necessity, have developed the principles and the tools that small business can adapt to its own needs to help solve its own problem. On the willingness and ability of small business to use the experience of big business and to benefit from its mistakes—on the ability of small business to solve its executive manpower problem—the social and economic stability of the American system will depend in no small degree. ★

SAM 1953-54 Slate of Officers

IN ACCORDANCE with the By-Laws of the Society for Advancement of Management, Mr. J. O. P. Hummel, National Secretary, announces that the Nominating Committee (elected at the November, 1952 Board of Directors meeting) has nominated the following slate of officers for the 1953-54 year:

FOR PRESIDENT: Bruce Payne

Executive Vice president, SAM 1952-53; Treasurer, SAM 1951-52; Treasurer, SAM, 1950-51; President, Stamford Chapter, 1947-48; member of the Society since 1945. Mr. Payne is President of Bruce Payne & Associates, Westport, Conn. He was associated with Dyer Engineers, National City Bank of Cleveland and Republic Steel Corporation in executive capacities. He is a graduate of the University of California and Harvard Graduate School of Business Administration. Professional memberships include AMA, NACA and NMC.

FOR EXECUTIVE VICE-PRESIDENT: George B. Estes

Assistant Chairman of the SAM Committee on Rating of Time Studies; member of SAM Finance Committee; past member of Executive Committee; charter member of Western Mass. and Worcester Chapters, serving as Chapter President and National Director; presently National Director of Worcester Chapter. Mr. Estes is Chief Industrial Engineer, Whitin Machine Works, Whitinsville, Mass. He has also held executive positions with B. F. Goodrich; General Motors; Eastman Kodak; Ford; Bacon & Davis; and Johnson & Johnson. He is a graduate of Worcester Polytechnic Institute.

FOR SECRETARY: J. B. McNaughton

Presently member of SAM Finance and Rating of Time Study Committees; member of National Executive Committee, 1951-52; Charter member, Past President and Present National Director of Columbus, Ohio Chapter. Mr. McNaughton is Manager, Industrial Engineering Department, Jeffrey Manufacturing Company, Columbus, Ohio. He has previously held executive positions with Line Air Products and the U.S. Navy Bureau of Ordnance. He was graduated from the Naval Academy and holds an M.S. from the California Institute of Technology.

FOR TREASURER: John B. Joynt

SAM member since 1946 and presently member of National Chapter Performance Award Committee. Mr. Joynt is Manager of the Administrative Engineering Department, American Enka Corp., Enka, N. C. He has held positions with large manufacturing, banking and transportation companies as well as government agencies. During World War II, he was awarded the Legion of Merit for his work on the Management Control Staff of General Somervell. An author, member of NOMA and AMA, he also conducts courses regularly at New York University Graduate School.

Provision for additional nominations and election of officers is made in the By-Laws in the following words: "Following the Spring meeting, at which any ten Directors may propose other nominees, the Board will by mail ballot elect the Society's officers to serve for one year."

Members of the Nominating Committee were: Leon J. Dunn, Chairman, Hartford Chapter; Harold F. Smiddy, New York Chapter; Mary Cushing Niles, Washington Chapter; Charles Durham, St. Louis Chapter; and R. W. Newsom, Jr., Greensboro Chapter. ★

MEETINGS OF SAM NATIONAL OFFICERS

— 1953 —

April 18.....Board of Directors
May 16.....Executive Committee
June 27.....Board of Directors

International Labor Organization

By WILLIAM McGRATH

(*Continued from page 12*)

be faithfully representing the sentiments of organized labor and the administration, but they do not reflect the philosophy of the majority of the people of our country, the principles of our laws or the spirit of our Constitution.

The situation calls for action by the Congress whose function as the law-making body of the United States is threatened by the ILO and the United Nations. I am glad to report that such action is already under consideration and has been spearheaded by Senator Bricker of Ohio.

Senator Bricker has introduced into the Senate a proposed constitutional amendment, known as S.J. Resolution 130, designed to plug the "legislation by treaty" loophole previously referred to. This amendment would forbid the ratification of a treaty, the terms of which are contrary to the U.S. Constitution; remove from the reach of the treaty-making power matters essentially within the domestic jurisdiction of the United States, and prevent nullification by treaty of existing Federal and State legislation without further action by Congress. It would provide immediate protection against the possibility of turning our country into a Socialistic State by the ratification of ILO or other United Nations Conventions.

Once Senator Bricker took the lead in recognizing the danger, and proposing what should be done about it, 59 other Senators, Democrats and Republicans, joined with him in supporting this constitutional amendment which would prevent foreign Socialists from making our laws by means of international treaty.

When Senator Bricker introduced Resolution S.J. 130 into the Senate, he said:

> "Because of a constitutional loop-hole, which I shall discuss, it is possible for the sovereignty and independence of the United States to be surrendered by treaty. There is grave danger that the rights and freedoms of the American people, protected by the Constitution, can be altered or abridged by treaty."

I want to point out to you how much courage it took for Senator Bricker to take the initiative in advocating a proposal which he knew in advance would bring down on his head the wrath of the administration, the Department of State, the Department of Labor and the heads of organized labor, as well as certain other well known elements who are willing to sell out America to foreign interests. Once the step was taken, however, both Democrats and Republicans have rallied around him on behalf of the preservation of the basic principles upon which our country was founded.

The issue is far broader than the ILO. It applies to all activities of all agencies of the United Nations and primarily to the United Nations itself. The greatest single threat to our liberties is contained in the so-called Covenant on Human Rights, so eloquently championed by Eleanor Roosevelt. If the Senate were to ratify this Covenant it would supersede the Constitution of the United States.

This is the document which its proponents say is an "improvement" upon the United States Constitution. Let's make a few comparisons.

Article I of the Bill of Rights of our Constitution states:

> "Congress shall make no law respecting an establishment of religion, or prohibiting the free exercise thereof; or abridging the freedom of speech, or of the press, or the right of the people peaceably to assemble, and to petition the government for a redress of grievances."

There are no "ifs, ands or buts" about it. "*Congress shall make no law.*"

Now turn to the Covenant on Human Rights. As to freedom of religion, Paragraph 2 of Article 13 of the Covenant on Human Rights says:

> "Freedom to manifest one's religion or beliefs shall be subject only to such limitations as are *pursuant to law.*"

As to freedom of speech and of press, Paragraph 3 of Article 14 of the Covenant on Human Rights says:

> "The right to seek, receive and impart information and ideas carries with it special duties and responsibilities and may therefore be subject to certain penalities, liabilities and restrictions but these shall be such only as are *provided by law.*"

As to the right to peaceable assembly, Article 15 of the Covenant on Human Rights says:

> "No restrictions shall be placed on the exercise of this right other than those imposed in *conformity with the law.*"

Under this interpretation of human rights, Hitler's Germany could have ratified this Covenant. So could Russia today. This is not a Covenant on Human Rights—it is a blueprint for tyranny. Senator Bricker is not alone in recognizing that threat.

For many years Mr. Frank E. Holman, attorney of Seattle, Washington, and a past President of the American Bar Association, and an authority on international law, has been pointing out the need for action in this respect. In a recent statement he said:

> "The Covenant on Human Rights which the Human Rights Commission of the United Nations is now drafting with representatives of other countries, including Soviet Russia, in the majority can supersede our own Bill of Rights and replace segments of our own Constitution if adopted by the United States as a treaty. These international proposals threaten many of our fundamental freedoms."

Mr. Howard L. Barkdull, attorney, Cleveland, Ohio, and incumbent President of the American Bar Association, said:

> "The new treaties sponsored by the United Nations in social, economic and political fields have threatened to upset the balance between state and federal power. The American Bar Association is convinced that protective clauses in the treaties themselves and the inclusion of various reservations are insufficient to guard against the making of domestic law by the treaty method."

The House of Delegates mentioned in the following statement by Mr. Barkdull is a part of the American Bar Association. Mr. Barkdull continues:

> "Our House of Delegates at a meeting held in February of the present year recommended to the Congress of the United States an amendment to the Federal Constitution reading as follows: A provision of treaty which conflicts with any provision of this Constitution shall not be of any force or effect. A treaty shall become effective as internal law in the United States only through legislation by Congress which it could not enact under its delegated powers in the absence of such treaty."

The situation calls for action directed toward government and implemented by the Congress, whose very function as the law-making body of the United States is threatened by the ILO. Here is a suggested three point program:

1. The U.S. government delegates to the ILO should not both be "yesmen" of organized labor. They should represent not just the AFL and CIO, but the United States. Our government delegation should be balanced between workers and employers, in accordance with the

constituency of the ILO itself. If one U.S. government voting delegate is a Department of Labor man, the other should be a Department of Commerce man. The Congress can so prescribe.

2. As it now stands, the ILO can pass a convention by a two-thirds vote. Since the employers constitute only one-fourth of the voters and the labor-government delegates three-fourths, employers can be voted down at will by the labor-government coalition. In order to give employers the voice they are supposed to have in the ILO, its constitution should be changed to provide that passage of a convention would require not only a two-thirds overall vote but at least a majority of each of the three participating groups—namely, government, labor, and employers. The ILO is tripartite now only in name. Such an amendment would make it tripartite in fact. The U.S. supplies 25% of the funds required for its operations. The Congress of the United States can make both funds and U.S. continuing membership conditional upon such a change in ILO voting procedure.
3. Meanwhile—and this is most important—Senator Bricker of Ohio, has introduced into the Senate a proposed constitutional amendment, known as S.J. Resolution 130, designed to plug the "legislation by treaty" loophole. This amendment would forbid the ratification of a treaty, the terms of which are contrary to the U.S. Constitution; remove from the reach of the treaty-making power, matters essentially within the domestic jurisdiction of the United States; and prevent nullification by treaty of existing Federal and State legislation without further action by the Congress. Action on this amendment should be carried through to a successful conclusion.

Finally, may I suggest that *consistent organized year around effort* is called for in this matter, in order to acquaint the American people with what is going on in the ILO, lay the situation with all its ramifications before the people in public life, and provide the U.S. employer delegation to the ILO with an adequate technical staff and the aid of specialists in the particular fields on the agenda for discussion.

If socialism should come in through the back door, liberty will fly out the window. Let's guard all doors and windows to perpetuate that liberty which all Americans hold so dearly. ★

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International Labor Organization

By WILLIAM McGRATH

(*Continued from page 12*)

be faithfully representing the sentiments of organized labor and the administration, but they do not reflect the philosophy of the majority of the people of our country, the principles of our laws or the spirit of our Constitution.

The situation calls for action by the Congress whose function as the law-making body of the United States is threatened by the ILO and the United Nations. I am glad to report that such action is already under consideration and has been spearheaded by Senator Bricker of Ohio.

Senator Bricker has introduced into the Senate a proposed constitutional amendment, known as S.J. Resolution 130, designed to plug the "legislation by treaty" loophole previously referred to. This amendment would forbid the ratification of a treaty, the terms of which are contrary to the U.S. Constitution; remove from the reach of the treaty-making power matters essentially within the domestic jurisdiction of the United States, and prevent nullification by treaty of existing Federal and State legislation without further action by Congress. It would provide immediate protection against the possibility of turning our country into a Socialistic State by the ratification of ILO or other United Nations Conventions.

Once Senator Bricker took the lead in recognizing the danger, and proposing what should be done about it, 59 other Senators, Democrats and Republicans, joined with him in supporting this constitutional amendment which would prevent foreign Socialists from making our laws by means of international treaty.

When Senator Bricker introduced Resolution S.J. 130 into the Senate, he said:

> "Because of a constitutional loop-hole, which I shall discuss, it is possible for the sovereignty and independence of the United States to be surrendered by treaty. There is grave danger that the rights and freedoms of the American people, protected by the Constitution, can be altered or abridged by treaty."

I want to point out to you how much courage it took for Senator Bricker to take the initiative in advocating a proposal which he knew in advance would bring down on his head the wrath of the administration, the Department of State, the Department of Labor and the heads of organized labor, as well as certain other well known elements who are willing to sell out America to foreign interests. Once the step was taken, however, both Democrats and Republicans have rallied around him on behalf of the preservation of the basic principles upon which our country was founded.

The issue is far broader than the ILO. It applies to all activities of all agencies of the United Nations and primarily to the United Nations itself. The greatest single threat to our liberties is contained in the so-called Covenant on Human Rights, so eloquently championed by Eleanor Roosevelt. If the Senate were to ratify this Covenant it would supersede the Constitution of the United States.

This is the document which its proponents say is an "improvement" upon the United States Constitution. Let's make a few comparisons.

Article I of the Bill of Rights of our Constitution states:

> "Congress shall make no law respecting an establishment of religion, or prohibiting the free exercise thereof; or abridging the freedom of speech, or of the press, or the right of the people peaceably to assemble, and to petition the government for a redress of grievances."

There are no "ifs, ands or buts" about it. "*Congress shall make no law.*"

Now turn to the Covenant on Human Rights. As to freedom of religion, Paragraph 2 of Article 13 of the Covenant on Human Rights says:

> "Freedom to manifest one's religion or beliefs shall be subject only to such limitations as are *pursuant to law.*"

As to freedom of speech and of press, Paragraph 3 of Article 14 of the Covenant on Human Rights says:

> "The right to seek, receive and impart information and ideas carries with it special duties and responsibilities and may therefore be subject to certain penalities, liabilities and restrictions but these shall be such only as are *provided by law.*"

As to the right to peaceable assembly, Article 15 of the Covenant on Human Rights says:

> "No restrictions shall be placed on the exercise of this right other than those imposed in *conformity with the law.*"

Under this interpretation of human rights, Hitler's Germany could have ratified this Covenant. So could Russia today. This is not a Covenant on Human Rights—it is a blueprint for tyranny. Senator Bricker is not alone in recognizing that threat.

For many years Mr. Frank E. Holman, attorney of Seattle, Washington, and a past President of the American Bar Association, and an authority on international law, has been pointing out the need for action in this respect. In a recent statement he said:

> "The Covenant on Human Rights which the Human Rights Commission of the United Nations is now drafting with representatives of other countries, including Soviet Russia, in the majority can supersede our own Bill of Rights and replace segments of our own Constitution if adopted by the United States as a treaty. These international proposals threaten many of our fundamental freedoms."

Mr. Howard L. Barkdull, attorney, Cleveland, Ohio, and incumbent President of the American Bar Association, said:

> "The new treaties sponsored by the United Nations in social, economic and political fields have threatened to upset the balance between state and federal power. The American Bar Association is convinced that protective clauses in the treaties themselves and the inclusion of various reservations are insufficient to guard against the making of domestic law by the treaty method."

The House of Delegates mentioned in the following statement by Mr. Barkdull is a part of the American Bar Association. Mr. Barkdull continues:

> "Our House of Delegates at a meeting held in February of the present year recommended to the Congress of the United States an amendment to the Federal Constitution reading as follows: A provision of treaty which conflicts with any provision of this Constitution shall not be of any force or effect. A treaty shall become effective as internal law in the United States only through legislation by Congress which it could not enact under its delegated powers in the absence of such treaty."

The situation calls for action directed toward government and implemented by the Congress, whose very function as the law-making body of the United States is threatened by the ILO. Here is a suggested three point program:

1. The U.S. government delegates to the ILO should not both be "yes-men" of organized labor. They should represent not just the AFL and CIO, but the United States. Our government delegation should be balanced between workers and employers, in accordance with the

constituency of the ILO itself. If one U.S. government voting delegate is a Department of Labor man, the other should be a Department of Commerce man. The Congress can so prescribe.

2. As it now stands, the ILO can pass a convention by a two-thirds vote. Since the employers constitute only one-fourth of the voters and the labor-government delegates three-fourths, employers can be voted down at will by the labor-government coalition. In order to give employers the voice they are supposed to have in the ILO, its constitution should be changed to provide that passage of a convention would require not only a two-thirds overall vote but at least a majority of each of the three participating groups—namely, government, labor, and employers. The ILO is tripartite now only in name. Such an amendment would make it tripartite in fact. The U.S. supplies 25% of the funds required for its operations. The Congress of the United States can make both funds and U.S. continuing membership conditional upon such a change in ILO voting procedure.
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1952 Management Forecast ..... *William J. Hogan* Jan
1952 Management Forecast ..... *Eugene Holman* Jan
1952 Management Forecast ..... *Eric Johnston* Jan
1952 Management Forecast ..... *Thomas Roy Jones* Jan
1952 Management Forecast ..... *James S. Knowlson* Jan
1952 Management Forecast ..... *Joseph H. McConnell* Jan
1952 Management Forecast ..... *Charles P. McCormick* Jan
1952 Management Forecast ..... *Irving A. Olds* Jan
1952 Management Forecast ..... *Frank M. Porter* Jan
1952 Management Forecast ..... *Gwilym A. Price* Jan
1952 Management Forecast ..... *Charles F. Roos* Jan
1952 Management Forecast ..... *William H. Ruffin* Jan
1952 Management Forecast ..... *C. M. White* Jan
1952 Management Forecast ..... *Alfred H. Williams* Jan
1952 Management Forecast ..... *Charles E. Wilson* Jan
1952 Management Forecast ..... *W. H. Winfield* Jan
Management's Debt to Engineers ..... *Lt. Col. L. Urwick* Dec
Management's Professional Responsibilities ..... *Arthur G. Coons* Oct
Master Mechanics in Human Maintenance ..... *W. E. Park* Dec
Mechanical Methods for Determining Plant Layout *Spencer A. Weart* Apr
National Conferences, The Jul
National Office, The Jul
New Areas of Application Highlight Conference Apr
NMC International News Jul
NMC International News Aug
NMC International News Sep
NMC International News Oct
NMC International News Nov
NMC International News Dec
Noise in Industry ..... *Carey P. McCord* Jun
Organization Manuals Improve Communication ..... *Lawrence L. Parrish* Sep
Personal vs. Labor Interest ..... *Ralph C. Davis* Jul
Policies and Purposes of SAM Jul
Pre-determined Time Standards ..... *Harold Engstrom* Apr
Problems in Executive Selection ..... *Milton M. Mandell* Mar
Procedure for Measuring Employee Productivity ..... *Martin Kriesberg* Aug
Procedures in Industry and Business ..... *Dr. Michael Albery* Mar
Profit and Loss Sharing ..... *F. W. Willey* May
Publication Activity Increases Jul
Ratio Delay Developments ..... *Chester L. Brisley* —*Proc. (7th Annual T S & M) 1952*
Replacement Analysis ..... *E. S. Roscoe* Sep
Research Report on Interference Delays in Multiple Machine Assignments, A ..... *Dr. K. O. William Sandberg* —*Proc. (7th Annual T S & M) 1952*
Response to Review of "Fundamentals of Top Management" *Ralph C. Davis* Jan
Scientific Management and Human Relations ..... *John T. Diebold* Feb
Screen Communication in Business Management ..... *Francis Lawton, Jr.* Apr
Small Manufacturers' and Defense Business ..... *Millard H. Pryor* Dec
Society Awards Jul
Society Continues to Expand Jul
Society Launches Major Research Activity ..... *Harold F. Smiddy* Jul
Society Passes Greatest Year of Achievement ..... *Leon J. Dunn* Jul
Some Causes of Executive Job Dissatisfaction ..... *Austin M. Fisher* Sep
Some Observations on the Data From the Survey on the Rating of Time Studies ..... *David B. Porter* —*Proc. (7th Annual T S & M) 1952*
Staff Function in Organization, The *William R. Spriegel and Joseph K. Bailey* Mar

Standardization—The Automatic Pilot of Management ..... *John Gaillard* Oct
Statistical Work Measurement Control ..... *Dr. Robert N. Lehrer* Aug
Student Chapter Activities, The ..... *Dr. Ralph L. Jacobs* Jul
Student Chapter Activities, The ..... *Dr. Ralph L. Jacobs* Dec
Survey Shows Poor Communication Wastes Engineering Manpower May
The Great American Man Hunt ..... *Gwilym A. Price* Dec
Time Study Research ..... *Dr. Ir C. L. M. Kerkhoven* Nov
Today's Challenge to Our Society ..... *J. K. Louden* Oct
Wallace Clark International Management Center *Dr. Lillian M. Gilbreth* Dec
We Too Are Politicians ..... *Edward W. Jochim* Aug
What a Well Organized Visual Program Means in Labor Relations *Lowell F. Johnson* Mar
Will to Work More Effectively, The ..... *R. Conrad Cooper* Jun
Writing the Annual Report ..... *Norman Bruce Sigband* Jan

III. SUBJECTS

COMMUNICATIONS
Organization Manuals Improve Communications ..... Sep
Screen Communication in Business Management ..... Apr
Survey Shows Poor Communication Wastes Engineering Manpower May
Writing the Annual Report ..... Jan
EDITORIALS
Case Study of the Scientific Method, A ..... Dec
Continuous Significant Progress in Management Is Necessary Too! Nov
Effective Executive Development ..... Sep
Let's Light Candles ..... Oct
Looking Ahead ..... Jul
We Too Are Politicians ..... Aug
EDUCATION
Developing Industrial Engineering Curricula ..... Dec
How to Plan a Program for Economic Education ..... Jan
EXECUTIVE DEVELOPMENT
An Industrial and Mercantile Management Quality Rating Plan ..... Feb
Building Executives for the Future ..... Nov
Front Line Supervisor, The ..... Feb
Incentive Compensation Develops Executives ..... Apr
Problems in Executive Selection ..... Mar
Some Causes of Executive Job Dissatisfaction ..... Sep
The Great American Man Hunt ..... Dec
EXECUTIVE AND INDUSTRIAL HEALTH
Noise in Industry ..... Jun
What A Well Organized Visual Program Means in Labor Relations Mar
FINANCE
Budget—Management Tool or Weapon, The ..... Jun
Business Executive and His Financial "Peephole," The ..... May
Cutting the Costs of Costing ..... Mar
GENERAL
Century of Progress, A ..... Nov
Current Economic Outlook ..... Proc. (7th Annual T S & M) 1952
Developing Leaders Through the Conference Method ..... Oct
Development and Influence of Scientific Management, The ..... Oct
Free Enterprise is Not a Hunting License ..... Jun
Inventory Control ..... May
It's Fun to Run a Chapter Conference ..... Apr
Management and Natural Resources ..... Jun
Management Effectiveness Index, A ..... Aug
The 1952 Management Forecast ..... Jan
Management's Debt to Engineers ..... Dec
NMC International News ..... Jul, Aug, Sep, Oct, Nov, Dec
Personal vs. Labor Interests ..... Jul
Wallace Clark International Management Center ..... Dec
HUMAN RELATIONS
A New Supervisory Training Program for Public Employees ..... Jan
Employee Dynamics and Engineering Technology ..... Nov
Engineering the Invisible ..... Mar
How Effective Are Our Industrial Tools? ..... Feb
Human Aspects of Industrial Engineering ..... Nov
Let's Make Personnel—Personal ..... Feb
Master Mechanics in Human Maintenance ..... Dec
Profit and Loss Sharing ..... May
Scientific Management and Human Relations ..... Feb
MANAGERIAL CONTROL
A New Emphasis in Cost Reduction ..... Aug
Basis of the Flexible and the Variable Budget in an Expanding Economy, The ..... Sep
How to Apply Statistical Cost Control to Labor Costs ..... Aug
Standardization—The Automatic Pilot of Management ..... Oct
ORGANIZATION
Management and Cost Control in the Air Force ..... May
Management's Professional Responsibilities ..... Oct
Staff Function in Organization, The ..... Mar
PLANT DESIGN AND LOCATION
Mechanical Methods for Determining Plant Layout ..... Apr
PROCEDURES
Procedures in Industry and Business ..... Mar
PRODUCTIVITY
How Should Labor Participate in Gains Through Technological Improvements ..... Jun
Procedure for Measuring Employee Productivity ..... Aug
Replacement Analysis ..... Sep
Small Manufacturers' and Defense Business ..... Dec
Will to Work More Effectively, The ..... Jun
QUALITY CONTROL
Statistical Work Measurement Control ..... Aug
SAM REPORTS AND ARTICLES
ADVANCED MANAGEMENT Index—1951 ..... Feb
Building Our Membership ..... Nov
By-Laws and Proposed Revisions to the By-Laws on Memberships, Grades and Dues ..... Feb
Chapter Special Activities ..... Jul
Directory of SAM Firm Members ..... Jul
National Conferences, The ..... Jul
National Office, The ..... Jul
New Areas of Application Highlight Conference ..... Apr
Policies and Purposes of SAM ..... Jul
Publication Activity Increases ..... Jul
Society Awards ..... Jul
Society Continues to Expand ..... Jul
Society Launches Major Research Activity ..... Jul
Society Passes Greatest Year of Achievement ..... Jul
Student Chapter Activities, The ..... Jul & Dec
Today's Challenge to Our Society ..... Oct
SPECIALIZATION
Fitting in the Specialist Without Antagonizing the Line ..... Jan
TIME AND MOTION STUDY
A MTM Analysis of Performance Rating Systems ..... Proc. (7th Annual T S & M) 1952
Application of Time Study and Methods to Cost Control, The ..... Proc. (7th Annual T S & M) 1952
Application of Time Study and Methods to Inspection, The ..... Proc. (7th Annual T S & M) 1952
Application of Time Study and Methods to Maintenance, The ..... Proc. (7th Annual T S & M) 1952
Application of Time Study and Methods to Materials Handling, The ..... Proc. (7th Annual T S & M) 1952
Application of Time Study and Methods to Office and Clerical Work, The ..... Proc. (7th Annual T S & M) 1952
Application of Time Study and Methods to Planning, Scheduling and Inventory Control, The ..... Proc. (7th Annual T S & M) 1952
Application of Time Study and Methods to Pricing and Unit Cost, The ..... Proc. (7th Annual T S & M) 1952
Application of Time Study and Methods to Sales and Distribution, The ..... Proc. (7th Annual T S & M) 1952
Application of Time Study and Methods to Tools, Equipment and Layout, The ..... Proc. (7th Annual T S & M) 1952
Basis for Variation ..... Jan
How Management Can Use Time Study ..... Aug
How Time Study and Methods Techniques Help Members of Top Management Fulfill their Responsibilities to their Customers ..... Proc. (7th Annual T S & M) 1952
How Time Study and Methods Techniques Help Us Meet Responsibilities to Our Stockholders Proc. (7th Annual T S & M) 1952
Pre-Determined Time Standards ..... Apr
Ratio Delay Developments ..... Proc. (7th Annual T S & M) 1952
Research Report on Interference Delays in Multiple Machine Assignments, A ..... Proc. (7th Annual T S & M) 1952
Some Observations on the Data From the Survey on the Rating of Time Studies ..... Proc. (7th Annual T S & M) 1952
Time Study Research ..... Nov

IV. BOOKS REVIEWED

ADMINISTRATIVE ACTION—THE TECHNIQUES OF ORGANIZATION AND MANAGEMENT
by William H. Newman ..... *Rev. by James H. Healey* Jun
ADVERTISING MEDIA
by Ed Brennan ..... *Rev. by Frank E. Fehlman* Feb
AIR TRANSPORTATION MANAGEMENT—ITS PRACTICES AND POLICIES
by Joseph L. Nicholson ..... *Rev. by Charles E. Durham* Apr
COLLECTIVE BARGAINING PRINCIPLES AND PRACTICES
by C. Wilson Randle ..... *Rev. by Hiram S. Hall* Mar.
COST ACCOUNTING
by Adolph Matz, O. J. Curry, George W. Frank *Rev. by Dr. Michael Albery* Aug
THE DEVELOPMENT OF EXECUTIVE TALENT
by Joseph Dooher and Vivienne Marquis ..... *Rev. by Don F. Copell* Aug
THE HOUSE OF LABOR
edited by J. B. S. Hardman and Maurice Neufeld *Rev. by Joseph Shister* Apr
INDUSTRIAL INTERNAL AUDITING
by W. A. Walker and W. R. Davies ..... *Rev. by J. B. Parker* Mar
THE LONELY CROWD: A STUDY OF THE CHANGING AMERICAN CHARACTER
by David Riesman, Reuel Denney and Nathan Glazer *Rev. by Lt. Frederick C. Dyer* Jun
MANAGEMENT TRAINING, CASES AND PRINCIPLES
by Wm J. McLarney ..... *Rev. by Dan M. Braum* Jun
MOTOR FREIGHT WORKSHOP
by Bernard Frederick Conroy ..... *Rev. by William Way, Jr.* Aug
NEW WAYS TO BETTER MEETINGS
by Bert and Frances Strauss ..... *Rev. by R. C. Sampson* May
PERSONAL SUPERVISION OF OUTSIDE SALESMEN
by Charles W. Lapp ..... *Rev. by Harold V. Coes* Jun
PERSONNEL INTERVIEWING
by James D. Weinland and Margaret V. Gross *Rev. by Dr. Marion A. Bills* Dec
PLANNING AND DEVELOPING THE COMPANY ORGANIZATION STRUCTURE
by Ernest Dale ..... *Rev. by Charles R. Scott, Jr.* Dec
PRODUCTION AND INVENTORY CONTROL
by William E. Ritchie ..... *Rev. by James H. Healey* Feb
QUALITY CONTROL AND INDUSTRIAL STATISTICS
by Acheson J. Duncan ..... *Rev. by Franklin E. Satterthwaite* May
QUALITY—CONTROL HANDBOOK
edited by J. M. Juran ..... *Rev. by R. F. Hurst* Apr

MARCH CHAPTER ACTIVITIES*

CHAPTER	SUBJECT	SPEAKER	TITLE	PLACE	DATE
Allentown	Some Recent Advances in Plant Layout and Materials Handling	A. P. Gaudreau	President, Gaudreau, Rimbach & Associates	White Farm Inn	10
	Recruiting of Executives and Engineers	W. H. Danneberg		Rm. 262, Packard Lab., Lehigh University	30
Asheville	Visual Aids	D. W. Randall	Training Supervisor, Champion Paper & Fibre Co.	George Vanderbilt Hotel	5
	Selling Today	Al Seares	V. P., Remington Rand	Battery Park Hotel	19
Atlanta	Use of Standard Data	John Pugsley	Exec. V. P., Tennessee Coal, Iron & Railroad Co.	Atlanta Athletic Club	12
Baltimore	Incentive Management	James F. Lincoln	President, Lincoln Electric Co.		3
Birmingham	Management Problems in Public Utilities	Lewis Smith	President, Alabama Power Co.	Moulton Hotel	13
Boston	The Leadership Emphasis in Administration	Ordway Tead	Editor, Social & Economic Books, Harper & Brothers	University Club	5
Bridgeport	Application of Incentives to Indirect Labor	Arthur Drake	Remington Rand	Technology Bldg., U. of Bridgeport	10
	Management's Stake in Industrial Engineering	H. Thomas Hallowell	President, The Standard Pressed Steel Co.	Waverly Inn, Cheshire, Conn.	19
Central Pa.	Management Communication—The Rumor Clinic	Bertram Miller	Works Manager, General Electric Co.	Altoona, Pa.	19
Charlotte	Labor Management Relations			The Barringer Hotel	10
Chicago	How Can the Efficiency of Group Activities Be Employed	B. Flax	Industrial Engineer, Zenith Radio Corp.		10
		W. Benac	Industrial Engineer, Beldon Manuf. Co.		
		H. Arends	Operating Supt., Aldens, Inc.		
Cincinnati	Effective Supervisory Training in Human Relations	Richard Beckhard	Executive Director, Conference Counselors	Hotel Alms	5
Cleveland	Top Management	Lewis D. Fykse	V. P. in charge of Engineering, The Standard Tool Co.	Tomlinson Hall, Case Institute of Technology	16
	Industrial Engineering	W. A. Giffhorn, Jr.	Albert Ramond & Associates	Tomlinson Hall, Case Institute of Technology	18
	Human Relations	Wade White	Training Director, Euclid Road Machinery Co.	Tomlinson Hall, Case Institute of Technology	23
	Financial Management	Paul Gill	Manager, Booz, Allen & Hamilton	Tomlinson Hall, Case Institute of Technology	25
Detroit	Some Things We Can Do	Dr. Lillian M. Gilbreth			3
Greensboro	Explaining Your Business	Clem Johnston	V. P., U. S. Chamber of Commerce	Starmount Country Club	17
Greenville	Statistical Quality Control	T. R. Bainbridge	Tennessee Eastman Corp.	Hotel Greenville	11
Hartford	A College Man Looks at Industry	Harrison D. Myrick	Brown & Sharpe Mfg. Co.		19
Hudson Valley	Influence of Sales Policies and Practices on Manufacturing Efficiencies			Hendrick Hudson Hotel, Troy, N. Y.	3
Lancaster	Increasing the Effectiveness of Plant Maintenance	G. J. Fisher	Engineering Dept., E. I. du Pont de Nemours & Co.	Hotel Brunswick	17
Manchester	Marketing and Distributing Problems	Joseph P. Maloney Robert M. MaCrae	V. P., The Eastern Corp. Northeastern Regional Mgr., RCA Victor	Carpenter Hotel	4
Milwaukee	Production Control	Gordon Swardenski	Asst. Gen. Mgr., Caterpillar Co.	E.S.M. Bldg., 3112 W. Highland Ave.	12
Montreal	Incentive Payments—Particularly for Executives	Paul Kellogg	Stevenson and Kellogg, Ltd.	Blue Room, Ritz Carlton Hotel	11
New Brunswick	Using Statistics to Build a New Industrial Nation	Dr. Ellis R. Ott	Prof. of Mathematics, Rutgers University	Roger Smith Hotel	19

| | | H. Thomas Hallowell | Pres., The Standard Pressed Steel Co. | Waverly Inn, Cheshire, Conn. | 19 |

		Prof. of Mathematics, Rutgers University		Roger Smith Hotel	19
New Haven	The Use of Capital to Increase Productivity	H. Thomas Hallowell	Pres., The Standard Pressed Steel Co.	Waverly Inn, Cheshire, Conn.	19
New York				Hotel Statler	19
N. New Jersey	Where Are We Going in Collective Bargaining?	Dr. Jules Backman	Prof. of Economics, NYU	Hotel Essex, Newark, N. J.	5
	Industrial Engineering—Industrial Relations Conference			Hotel Essex, Newark, N. J.	19
Philadelphia	Production Problems	A. R. Heist	General Manager, Kling Bros. Engineering Co.	The Poor Richard Club	3
	Maintenance Kinks and Short Cuts	E. Seltzer			5
Pittsburgh	All Day Industrial Relations Conference			Hotel Webster Hall	19
Richmond	Human Relations in Management	J. W. Craig	V.P. and Gen. Mgr., Crosley Div., AVCO Manufacturing Co.	Hotel William Byrd	24
Trenton	Can Costs and Controls Contribute to Human Relations			Rutgers University	3
	How to Keep Maintenance Both Effective and Efficient	J. O. Heritage	Consultant, Engineering Service Div., E.I. du Pont de Nemours Co.	Hotel Hildebrecht	17
	The Salary Administrator's Field for Better Industrial Relations			Rutgers University	24
Washington	Government & Business Relations in International Trade Round Table	Alden W. Boyd	Dep. Dir. of Admin., MSA	Federal Personnel Council, 1626 K St., NW	2
		Karl Anderson	Dep. Dir., Office of International Trade, Dept. of Commerce		
	Property Management Activities Round Table	Gustave A. Moe	Dir., Supply Management Div., FSS	National Archives, Rm. 105, Bet. 7th & 8th Sts., NW, on Constitution Ave.	3
		D. C. Downs	Manager, Government Div., Stern Office Furniture Co.		
	Employee Contributions to Management Improvement Round Table	John E. Moore	Director of Defense, Dept. of Defense	Federal Personnel Council, 1626 K St., NW	5
		Harry Schwartz	Personnel Director, The Hecht Co.		
	Scientific Management in the Home Round Table	R. K. Friedman	Head, Admin. Methods Branch, Dept. of Defense (Navy)	Dept'l Aud., Conf. Rm. A., Bet. 12th & 14th Sts., NW, on Constitution Ave.	12
		Catherine Morhard			
	Financial Management Round Table	Karney A. Brasfield	Asst. Chief, Accounting Systems Div., General Accounting Office	Dept'l Aud., Conf. Rm. B., Bet. 12th & 14th Sts., NW, on Constitution Ave.	17
		Robert E. Harvey	V.P. & Comptroller, Capital Transit Co.		
	Organization & Management Methods in Government and Business Round Table	John J. Corson	Manager, Washington Office, McKinsey and Co.	Federal Personnel Council, 1626 K St., NW	17
		Ross S. Shearer	Asst. Administrator (Operations), Economic Stabilization Agency		
	General Chapter Meeting			Barker Hall, YWCA, 1649 K St., NW	19
	Legal Aspects of Management Round Table	John Alexander	General Counsel, National Production Authority	Dept'l Aud., Conf. Rm. B., Bet. 12th & 14th Sts., NW, on Constitution Ave.	24
		Peter Nehemkis	Attorney		
	Government-Business Relations Round Table	G. Lyle Belsley	Asst. Admin. for Industry, Adv. Com., NPA	Federal Personnel Council, 1626 K st., NW	24
		Donald G. Shook	Dep. Dir., Printing and Publishing Div., NPA		
	Management and Scientific Research Round Table	Ivan Asay	Chief, Planning Staff, Nat. Bureau of Standards	Federal Personnel Council, 1626 K St., NW	26
		Allen H. Schooley	Assoc. Supt., Radio Div. III, Dept. of Defense (Navy)		
Wilkes-Barre	An Explanation of Quality Control—What It Is and What It Does	J. Manuele	Director, Headquarters Quality Control, Westinghouse Electric Corp.	Hotel Jermyn, Scranton, Pa.	3
	Plant Visitation			Capitol Records, Inc., Scranton, Pa.	3
Wilmington	Scientific Developments in Industrial Engineering	Prof. David B. Hertz	Dept. of Ind. Engr., Columbia University	Hob Tea Room, Delaware Trust Bldg.	3
Worcester		James J. Shea	President, Milton Bradley Co.	Hotel Sheraton	17

* This is a summary of the Chapter activities reported. Programs of the other 21 will be listed upon receipt.